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Daily Report
Central Eurasia

FBIS-SOV-96-025 *6 February 1996*

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Terrorist Activity

Russia: 'Rally Passions' in Groznyy Delay Troop Pullout

LD0502175596 Moscow ITAR-TASS World Service in Russian 1711 GMT 5 Feb 96

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 5 Feb (ITAR-TASS) — Owing to rally passions in Groznyy, the Military Command in Chechnya has decided to postpone the planned withdrawal of certain subunits from Shatoyskiy District. This was announced today by Chechen Interior Minister Khamid Inalov, speaking on Groznyy Television.

It was earlier planned, inter alia, to bring an airborne troops regiment out of the village of Shatoy (45 km southwest of Groznyy). The ITAR-TASS correspondent Oleg Artyushin was told that this question had been discussed at a meeting between Chechen Deputy Prime Minister Abdula Bugayev and Vyacheslav Tikhomirov, commander of the Joint Group of Federal Forces.

Russia: Rally Continues as Armor Withdraws From Groznyy

LD0602073696 Moscow ITAR-TASS in English 0655 GMT 6 Feb 96

[By Oleg Artyushin]

[FBIS Transcribed Text] GROZNYY February 6 (ITAR-TASS) — Some 500 people continued the anti-Russian rally in the centre of Groznyy for the third day on Tuesday [6 February], while Russian armour is being removed from the area housing government offices.

Most of demonstrators came out this morning from ruined houses where they spent the night.

Others are arriving to the devastated former presidential palace in the Chechen capital in buses and trucks from nearby areas. Their main demand is the withdrawal of Russian troops.

The portrait of Chechen terrorist Shamil Basayev, who stormed the Russian town of Budennovsk last summer killing at least 100 people, has appeared close to the portrait of Chechen separatist leader Dzhokhar Dudayev on the palace. Basayev, who managed to force Moscow into peace talks with Chechnya by his hostage raid, is considered by most separatists as a national hero.

The green flags of Islam and of the republic of Ichkeria, as the separatists call Chechnya, are hoisted over the palace for the third day.

Shootings were heard several times close to government offices in Groznyy overnight, however, life in the city goes as usual this morning. Shops and ofices are opening and people are going to their work. The city market place is busy selling merchandise.

Russian armour is being gradually withdrawn from central Groznyy where most government offices are situated.

Russia: Groznyy Rally Participants Begin To Disperse

LD0502145296 Moscow Russian Television Network in Russian 1400 GMT 5 Feb 96

[From the "Vesti" newscast]

[FBIS Translated Text] Now the latest news from Groznyy. INTERFAX has just reported that the majority of those taking part in the rally there have started to disperse. It was relatively calm in the town today, despite the rally.

Russia: Pro-Dudayev Rally Held in Ackhkoy-Martan, Chechnya

LD0502212296 Moscow Radio Rossii Network in Russian 2100 GMT 5 Feb 96

[FBIS Translated Text] A pro-Dudayev rally was held in Achkhoy-Martan, a district capital 50 km from Groznyy. Residents from Bamut, Orekhovo, and other surrounding villages gathered there, demanding the withdrawal of federal troops from Chechnya.

Russia: Dudayev Warns of Future Attack on West

LD0602112596 Moscow Radio Rossii Network in Russian 1100 GMT 6 Feb 96

[FBIS Translated Text] [Chechen opposition leader] Dzhokhar Dudayev gave a news conference at a Chechen settlement overnight. Our special correspondent Nikolay Mamalashvili reports from Groznyy:

[Mamalashvili] Dzhokhar Dudayev does not regard the events in Chechnya as a Chechen crisis. He thinks that it is a world crisis, creating, so to speak, the preconditions for the third world war to start.

Dudayev was extremely negative at his meeting with journalists concerning the position of numerous West European countries in connection with the events in Chechnya. He thinks that the leaders of these countries and UN Secretary General Butrus-Ghali are provoking the war in Chechnya.

The entire West, Dudayev emphasized, is helping Russia, and the $6.5 billion made available to Russia speak for themselves.

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There is a war throughout the Caucasus, he said. At the same time Dudayev expressed the thought that the spirit of the Chechen people will not be broken. This is borne out by the fact that the combat operations are in their second year.

Dudayev also thinks that by taking the blow on themselves, the Chechens have so far prevented the so-called Chechen scenario from being inflicted on other peoples.

Russia is no longer able to stop the war, he said. Peace in the Caucasus now depends only on us.

Dzhokhar Dudayev also said he does not intend to attack various targets in Moscow. However, the time will come, he emphasized, when we will attack not Moscow, but Western Europe, which provoked this war and we will attack together with Moscow.

Dudayev also thinks that members of the Russian State Duma are mainly to blame for the conflict getting off the ground. He noted that Boris Yeltsin's blame in this context is very much less. He merely had to rubber-stamp the deputies' decision.

Dzhokhar Dudayev also said last year he was on Russian territory 25 times and [Shamil] Basayev and [Salman] Raduyev did likewise, but no one was able to arrest them.

Russia: Dudayev Commander on Ending War, Talks, Elections

LD0502222296 Moscow Russian Television Network in Russian 2000 GMT 5 Feb 96

[From the "Vesti" newscast]

[FBIS Translated Text] [Correspondent Ioffe] The idea of winding up the war, which was mooted in statements by President Yeltsin and Belyayev, leader of the NDR [Russia is Our Home] parliamentary group, is being widely discussed in Chechnya. Akhmed Zakayev, one of Dudayev's most well-known commanders, links this initiative with the forthcoming presidential elections and Russia's admission to the Council of Europe. [video shows bearded man in uniform talking to a reporter]

[Begin Zakayev recording; identified by caption] Yeltsin and Belyayev stated that it was necessary to return to the agreement that had already been signed. I think that will be very difficult now because the period when the agreement was signed and we made some very big concessions so that we could hold free, democratic elections [is over]. That farce with the elections on 17 December has already fundamentally altered the situation. [end recording]

[Ioffe] Zakayev is in favor of talks with Russia, but only so long as Dudayev takes part. Zakayev does not accept the idea of a coalition council that the round table is formulating.

[Begin Zakayev recording] I rule out Dudayev's sitting down to negotiate with Zavgayev. [end recording]

Russia: Chechen Commander Said Ordered To Release Hostages

LD0502185596 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — The commander of the unit of Chechen separatist rebels who took 29 Russian energy industry workers hostage in early January, 1996, has received a written order from Chechen rebel commander Aslan Maskhadov to release the hostages, an informed source in the Russian United Energy System joint-stock company told INTERFAX Monday. According to the source, there are grounds to expect a favorable resolution of the problem in the near future.

The source said that Maskhadov condemned the seizure of the energy industry workers in an address on Chechen television, saying he is against such measures.

Rebels holding the Russian hostages held talks with representatives of the Grozenergo company in the Chechen capital Groznyy from Friday to Sunday, said the source. Elders and representatives of Chechen authorities also participated.

Earlier, the gunmen who seized the hostages demanded that their release be negotiated at a meeting with Oleg Lobov, the Russian presidential envoy to Chechnya.

According to the rebels, the Russian hostages are still being held in a village 12 kilometers from Urus-Martan, said the source.

According to the United Energy System company, in 1995 energy industry workers restored 1,400 kilometers of power transmission lines and 36 substations and put into use three of the four Chechen power plants. Works on the restoration of the fourth plant, in Argun, were almost completed when they had to be suspended because of fighting in Gudermes.

Eight energy industry workers were killed and several wounded during reconstruction works in Chechnya in 1995.

According to the source, works on the restoration of the Chechen energy system are being paralyzed by the activities of Chechen rebels who constantly destroy restored facilities, and by the lack of security which hampers sending Russian energy industry workers to Chechnya.

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Russia: Dagestan Officials Demand Hostage Talks Replacements

LD0502132496 Moscow INTERFAX in English 1123 GMT 5 Feb 96

[FBIS Transcribed Text] KHASAVYURT, Feb 5 (INTERFAX) — Dagestani officials from Khasavyurt said they will no longer go to the talks with Chechen rebels to negotiate a release of the remaining Russian policemen and urged the republic's authorities to take their place.

Their delegation was due to go to the village of Novogrozzenskiy on Monday to continue talks on the release of 12 policemen from Novosibirsk.

However, Khasavyurt city administration head Tazhudin Batyrbiyev told INTERFAX that city police chief Akhmed Adiyev will no longer head the delegation.

"The talks will now be conducted by representatives of the republic's leadership, because the exchange of 12 Novosibirsk policemen requires the participation of the federal authorities since the Chechen side demands the release of rebels captured in Pervomayskoye in exchange," he said.

Batyrbiyev noted that if need be, Adiyev, as a person who is respected in Chechnya, may participate in the talks, but "Adiyev has done what he could. Last week, five policemen were handed over to him without any preconditions."

"Now the talks will be conducted by those who should conduct them," he said.

Russia: Chechen Threatens To Blow Up Vladivostok Institute

LD0602070496 Moscow ITAR-TASS World Service in Russian 0148 GMT 6 Feb 96

[By ITAR-TASS correspondent Yevgeniya Lents]

[FBIS Translated Text] Vladivostok, 6 Feb (ITAR-TASS) — The main building of the Far East Commercial Institute is completely cordoned off by militia at the present time. At approximately 0430 Moscow time, an unidentified person who said he is a Chechen rang the Directorate of Internal Affairs of the Maritime Territory and reported that an explosion will allegedly occur at this building. The directorate's operational duty officer reported to an ITAR-TASS correspondent that one and the same person had telephoned to say that mines had been laid. The first time he mentioned a large shop, the "Tsentral-Plaza," which belongs to a Russian-South Korean joint enterprise, but some time later he telephoned again and reported the other address. At the present time, the surrounded building of the institute is being thoroughly examined by special subunits, helped by sappers and sniffer dogs.

Russia: Vladivostok Threat Proves To Be Hoax

LD0602084696 Moscow ITAR-TASS in English 0823 GMT 6 Feb 96

[By Yevgeniya Lents]

[FBIS Transcribed Text] VLADIVOSTOK, Russian Far East, February 6 (ITAR-TASS) — The main building of the Far Eastern Commercial Institute in Vladivostok was sealed off for over four hours on Tuesday. An unidentified person who introduced himself as an ethnic Chechen, called the Vladivostok police department early in the morning today and reported that a bomb was planted in the building.

ITAR-TASS learned from a man on duty at the department that the caller phoned twice this morning about bomb-planting. He pointed to the Central Plaza big store owned by a Russian-South Korean joint venture for the first time.

Some time later, he called again and told a new address. The cordoned institute building was painstakingly examined by army engineers and specially trained dogs. However, the call proved to be wrong.

In the opinion of officers from the Vladivostok police department which has been alerted on a false call for the sixth time from the start of the year, the caller possibly suffers from psychic derangement.

Such telephone calls in the Maritime Territory, Russian Far East, have become especially frequent after the notorious statement by Shamil Basayev (Eds: Basayev was the chieftain of Chechen terrorists who captured over 1,000 hostages in the city of Budennovsk, Stavropol Territory, in June 1995) on possible engineering of terrorist acts in Vladivostok and Khabarovsk.

Military Activity

Russia: Serviceman Killed; Chechen Situation 'Complicated'

LD0602063996 Moscow ITAR-TASS World Service in Russian 0538 GMT 6 Feb 96

[FBIS Translated Text] Moscow, 6 Feb (ITAR-TASS) — One serviceman has perished and three have been wounded in Chechnya over the last 24 hours. The situation in the republic remains complicated. Altogether 28 incidents of firing on federal troops have been registered in the republic, of which 19 were in Groznyy. The commanders think that this is connected with the deliberate desire of Dudayev's armed fighters to destabilize the situation, Vasiliy Panchenkov, head of the

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press office of the internal forces of Russia's Ministry of Internal Affairs, told an ITAR-TASS correspondent by telephone today from Groznyy. He said that over the last 24 hours the servicemen of the internal troops have rebuffed attacks by armed fighters in the areas around the populated locations of Orekhovo, Bamut, Vinogradnoye, and Tukhchar.

"The troops have been given strict instructions not to create any kind of conflict situations; at the same time they have been set the task of stopping attempts at illegal actions, should they occur," Lieutenant General Vyacheslav Tikhomirov, commander of the joint armed forces in Chechnya, stated on Monday [5 February] evening, touching on the events in Groznyy. A rally has been going on there for several days now, the participants in which are demanding the withdrawal of federal forces from Chechnya. According to the head of the press service, the general does not rule out the fact that there may be armed people among those at the rally. In this connection he reported on the measures taken: roadblocks have been reinforced, government buildings have been put under guard, and reserves of troops have been made ready in the event of the situation starting to go out of control. "We are getting ready for this, and I think we have sufficient forces to stop provocations decisively," Vyacheslav Tikhomirov stated.

ITAR-TASS correspondent Oleg Artyushin has reported from Groznyy that intensive gun and assault rifle fire lasting around 10 minutes was opened in the area around the government buildings shortly after 2100 on Monday. The rounds from assault rifles and heavy-caliber machine guns were accompanied by numerous explosions of grenades from grenade launchers.

Russia: Federal Troop Supplies 'Unsatisfactory' in Chechnya

LD0502183296 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — The Russian Prosecutor General's Office has no information that proves part of the federal budget funds earmarked for rebuilding Chechnya goes to Chechen separatists, Russian Prosecutor General Yuriy Skuratov told a press conference at INTERFAX's central office in Moscow Monday.

Skuratov said he saw that the food and other supplies provided to Russian federal troops in Chechnya by the Interior Ministry and "especially the Defense Ministry" were "absolutely unsatisfactory." The Russian Prosecutor General's Office has recently required Interior Minister Anatoliy Kulikov and Defense Minister Pavel Grachev to improve supplies to federal troops, he said. "I do not mean arms," Skuratov added.

Insufficient technical and financial supplies may provoke servicemen into violating regulations, Skuratov said. "If a serviceman is not fed, he may address local residents in order to get some food at least," Skuratov said. However, this is not a massive phenomenon, he added.

When somebody says no money should be earmarked to Chechnya, people should recall that 18 year-olds are serving there in extremely tough conditions, Skuratov said.

Among other drawbacks, Skuratov cited the situation in Chechnya's Nadterechny region "where women who have five or six children have not been paid allowances from the federal budget for as long as six months," Skuratov said. Allowances and wages should be paid from the federal budget, he said.

Russia: Commission for Tracing MIA's at Work in Chechnya

MM0602120296 Moscow KRASNAYA ZVEZDA in Russian 6 Feb 96 p 1

[Report by Konstantin Petrov: "Find Them and Bring Them Back. Commission for Tracing Missing Persons Starts Work in Chechnya"]

[FBIS Translated Excerpt] The Mi-8 flew low, just missing the treetops. The combat positions of federal forces at Khankala Airport were left behind, rectangular fields replaced the rusty-gray forest expanses, and the "chopper" made its landing approach. It was here, at Severnyy Airport, that the question of creating a Chechen Republic commission for the release of forcibly detained persons and the tracing of missing persons was to be discussed with the direct participation of Doku Zavgayev, head of the Chechen Republic, and Lieutenant General Vladimir Tikhomirov, commander of the Joint Grouping of Federal Forces.

There has been a pressing need for such a commission for a long time now. About 400 Russian servicemen have been missing since December 1994, and 50 since the start of 1996. There are also members of the Novosibirsk OMON (special purpose police detachment), construction workers, and power industry workers who have been captured and are being forcibly detained by the gunmen. There are quite a few people missing on the Chechen side, too.

Had anything been done in the past to trace and bring back people? Yes, it had. Quite a lot, in fact. A section for the tracing of servicemen has been operating under

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the grouping's staff since last October. It is headed by Colonel Vitaliy Berchanskiy. Lists of captured and missing people, locations of presumed burial sites, the tracing of servicemen, contacts and talks with the gunmen about exchanges — all this is borne by four officers who, like many others at the grouping's staff, live in their offices. But the most difficult part, in their opinion, are the meetings with the missing soldiers' mothers. They never lose the hope of finding their sons come what may.

"We are doing everything possible that is within our power," Vitaliy Ivanovich said. "The grouping's commander is of great help. There were 13 servicemen released in January alone. But the time has come to organize links with local authority, MVD [Ministry of Internal Affairs], and Prosecutor's Office organs and start working together, on a common front." [passage omitted]

The tracing of burial sites and the identification of the dead is a separate problem that has been left virtually untouched. The use of appropriate equipment would be useless without the participation of MVD organs and forensic scientists. It is, therefore, no accident that the grouping's commander addressed the head of the Chechen Republic with a proposal to pool efforts. To do everything to ensure that the efforts by federal forces, local authorities, and the military and civilian Prosecutor's Offices result in finding and bringing back the people seized by gunmen and in identifying and burying the bodies of the dead.

The Chechen Republic head's decision on the commission was unambiguous — form it. Magomed Bamatgireyev, a highly authoritative person in the republic according to Doku Zavgayev, was appointed its chairman. Col. Berchanskiy became his deputy. Officers of Russia's Federal Border Service and MVD Internal Troops have joined representatives of the Chechen side on the commission. The republic's head gave assurances that the premises, communications facilities, office equipment, and motor vehicles needed for its work will be allocated in the very near future.

Meanwhile, the commission has already held its first session. Col. Berchanskiy and his colleagues made their way from the grouping's headquarters at Khankala Airport to Government House in an infantry fighting vehicle. The situation in Groznyy has remained extremely tense over the last few days. But the results of the commission's work are eagerly awaited. By the dead and the living alike.

Political Reaction

Russia: Zavgayev Rules Out Troop Withdrawal From Chechnya

LD0602130596 Moscow INTERFAX in English 1134 GMT 6 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 6 (INTERFAX) — Moscow-backed Chechen leader Doku Zavgayev is opposed to the withdrawal of federal troops from Chechnya, he told INTERFAX in an exclusive interview Tuesday [6 February].

"The federal troops' withdrawal from Chechnya, even partial, is absolutely out of the question now," Zavgayev said.

Chechen separatist leader Dzhokhar Dudayev's forces have "actually reduced to naught the positive tendencies felt in Chechnya as a result of the federal command's and authorities' efforts to settle the conflict," he said.

Commenting on the situation in Chechnya, he said that "it is so tense that it may have the most serious consequences."

He also said that during meetings held everywhere in the Chechen capital Groznyy, demonstrators "are chanting extremist slogans and threats."

The federal troops cannot be removed from Chechnya given the current tensions, said Zavgayev.

"No one can guarantee that the destructive pro-Dudayev forces, which are manipulating emotions, will not explode the situation," he said.

He expressed regret that Dudayev's side "is actually destroying the Chechen population's hope for peaceful settlement," and that "the achievements already made have been lost."

Russia: Chechen Government Warns Citizens of 'Provocations'

LD0502182896 (Unknown city) Vaynakh Chechen Television in Russian 1630 GMT 5 Feb 96

["Appeal by the Supreme Soviet and the Government of the Chechen Republic;" appeal appears as text on screen]

[FBIS Translated Text] Esteemed fellow citizens,

In this fateful hour, when the destiny of the people and the republic has again been placed at the brink between life and death, we call on you to show prudence, restraint, and wisdom.

The very same forces which in 1991, operating both from within and from without our republic, brought this

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current tragedy to our people, are again endeavoring to play the Chechen card in their criminal designs to provoke a fratricidal civil war on our soil.

You should be put on your guard by the fact that people are being called to attend a rally at precisely the time when the head of the Chechen Republic is resolving for real the issue of the withdrawal of the federal troops from the territory of the Chechen Republic, when a large-scale program to restore the republic's economy and welfare system has begun to take shape, and when tangible steps have been taken to pay the pensions, subsidies, and compensation for housing and property that have been destroyed.

Once you have stopped to ponder this and other facts, you will understand that yet another provocation is in the offing, fraught with the danger of a new conflagration of violence and civilian victims.

Citizens of the Chechen republic! Be vigilant and do not fall for provocations.

[Signed] The Supreme Soviet and the Government of the Chechen Republic

Russia: Skuratov: Chechen Police Must Reinforce Troop Pullout

LD0502181996 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — The gradual pullout of Russian troops from Chechnya should start when Chechen law enforcers take over, Russian Prosecutor-General Yuriy Skuratov told a press conference at the INTERFAX main office in Moscow Monday.

According to Skuratov, Chechen official leader Doku Zavgayev is right when he asks for additional funds to reinforce the republic's law enforcement.

"This is why I support a troop pullout which would be adequate to the reinforcement of Chechnya's interior bodies," Skuratov said. "All this must be happening stage by stage; this is the scheme I support," he said.

Russia: Further on Call for Chechen Police Reinforcement

LD0502201796 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — The prospect for gradual withdrawal of federal troops from Chechnya is realistic provided it is accompanied by political stabilization in Chechnya and that the [Moscow-backed Chechen] government led by Doku Zavgayev is capable of controlling specific Chechen areas, Russian Prosecutor General Yuriy Skuratov told a press conference at INTERFAX's central office in Moscow today.

Gradual federal troop withdrawal from Chechnya should be accompanied by increase in the number and quality of legitimate Chechen law enforcement agencies, primarily those under the Chechen Interior Ministry, he said.

However, that will require additional funding, Skuratov said.

Regarding the buying out of weapons from Chechen separatists, Skuratov said this was in line with Russian legislation. The authorities are guided by the article of the Criminal Code envisaging the possibility of voluntary turnover of illegally-owned weapons provided that those giving up arms have not committed other crimes, he said.

The Russian presidential decree stimulating the arms turnover in Chechnya is based precisely on this article of the Criminal Code, Skuratov said.

Russia: Skuratov Says Chechen Rebel Leaders Will Be Punished

LD0502182796 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Russian Prosecutor General Yuriy Skuratov said at a press conference at INTERFAX's central office in Moscow Monday he had no doubt that Chechen separatist leaders would be punished.

"Terrorists Dzhokhar Dudayev, Salman Raduyev and Shamil Basayev will be where they should be: at the dock," he said.

Shamil Basayev and his gunmen raided the town of Budennovsk in Russia's Stavropol region in summer 1995 taking dozens of people hostage. Chechen gunmen under Salman Raduyev launched a similar raid on the town of Kizlyar in Russia's internal republic of Dagestan in January 1996.

Skuratov said that if he had not been certain that the rebel leaders would be punished, he "would not have engaged in all these affairs."

The Russian Prosecutor General's office issued a warrant for the arrest of Chechen separatist leader Dzhokhar Dudayev in February 1995, Skuratov repeated. Law enforcement agencies and the Federal Security Service then received corresponding instructions, but the Russian Interior Ministry and Chechen law enforcement agencies have been passive, he said.

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Skuratov will soon personally demand that Interior Minister Anatoliy Kulikov and Federal Security Service Director Mikhail Barsukov "take real actions in that direction."

"As a guard of law and the leader of bodies responsible for criminal prosecution, I simply could not have taken a different stand," Skuratov said.

Russia: Yeltsin, Security Council Chief Discuss Chechnya

LD0502220196 Moscow INTERFAX in English 1909 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Russian President Boris Yeltsin had a working meeting with Russian Security Council Secretary Oleg Lobov in the Kremlin Monday, the presidential press service reported.

Yeltsin and Lobov analyzed the situation in Chechnya and discussed measures taken by the federal authorities and the [Moscow-backed] Chechen government to normalize the situation, the same source said.

Lobov briefed Yeltsin on preparations for another session of the Russian Security Council planned for February 7. At this session the Russian Security Council is expected to consider measures for ensuring Russia's technological security, funding of the Defense Ministry and defense industry enterprises, the same source said.

The Russian Security Council is also expected to seriously consider the situation in Chechnya.

Yeltsin also discussed the Chechen problem with Commander of the North-Caucasian Military District Anatoliy Kvashnin and Chairman of the State Duma Defense Committee Lev Rokhlin during separate meetings Monday.

Russia: Former Chechen Speaker Calls For Negotiated Withdrawal

LD0502184796 Moscow Russian Television Network in Russian 1725 GMT 5 Feb 96

[Interview with Yusup Soslanbekov, former chairman of the Chechen Supreme Soviet, by correspondent Nikolay Svanidze; from the "Details" program]

[FBIS Summary] In a 10-minute interview, Yusup Soslanbekov, former chairman of the abolished Chechen Supreme Soviet, has called for talks between the Russian federal authorities and Chechen rebel leader Dzhokhar Dudayev's commanders on arranging free democratic elections in Chechnya following the withdrawal of federal troops. In the absence of such talks, he says, the situation in Chechnya following a withdrawal will be "unpredictable."

At the end of the interview, Svanidze says that he has received information that representatives of Dudayev have contacted or will shortly be contacting a number of leading Russian opposition politicians — Mikhail Gorbachev, Gennadiy Zyuganov, Boris Gromov, and Grigoriy Yavlinskiy — asking them to engage in talks on a prisoner of war exchange. Opposition figure Mikhail Krasnov and State Duma deputy Nikolay Goncharov have been asked to act as intermediaries. Svanidze said that none of these politicians had been available for comment, apart from Krasnov who had faxed the written request he had received from Movladi Udugov, the head of Dudayev's press center, on 29 January.

Russia: Moscow, Groznyy Discuss Power Division Agreements

LD0502151996 Moscow INTERFAX in English 1355 GMT 5 Feb 96

[FBIS Transcribed Text] GROZNYY, Feb 5 (INTERFAX) — Moscow and Groznyy are holding consultations to divide powers between the Russian federal authorities and the republican power institutions, a high-ranking staffer in the Chechen government told INTERFAX Monday.

The sides are considering a package of 16 documents to divide powers in the spheres of industry, transport, agriculture, finances, the budget, education and property.

"The package was envisaged by an agreement on the special status of the Chechen Republic," said the government official.

The new agreements "will be part of a major treaty on relations between the Russian Federation and the Chechen Republic, expected to be signed after the Chechen parliamentary elections," he noted.

Asked by INTERFAX about the date of parliamentary elections, the source said they are likely to be held in April. "Chechen head Doku Zavgayev is against holding the parliamentary elections simultaneously with elections for the Russian president, for fear that this may cause a negative reaction from the majority of Chechen residents," he said.

The parliamentary elections aim to create a Chechen legislative power and ensure order in the republic. "By holding these elections, Zavgayev will prevent possible accusations of dictatorship," said the source.

Judging by the recent statement of the Chechen head on the possible withdrawal of federal troops to start within two or three weeks, the parliament elections will "not

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be backed up by the Russian troops, a charge on which Zavgayev has been repeatedly accused. This may reduce criticism of the Chechen government," he noted.

Russia: Duma Chief on Moscow Barring Observers From Chechnya

LD0502221296 Moscow INTERFAX in English 1909 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Merely from the legal point of view, Chechnya is Russia's internal affair, Chairman of the Russian State Duma Committee on Foreign Relations Vladimir Lukin of the Yabloko faction told INTERFAX Monday.

Thus he commented on a statement made by Chairman of the Parliamentary Assembly of the Council of Europe Lenni Fisher who said last week that Chechnya was not Russia's domestic affair and that the Chechen problem should be settled at international level.

However, Lukin admitted that the Chechen problem had another aspect besides the legal one. "By joining the Helsinki agreements of the Pan-European Conference and other international agreements, Russia has recognized that wherever human rights are violated this problem cannot be regarded merely as a internal problem of a particular country," he said.

Russia has the right to bar anyone from participation in the settlement of the Chechen problem, but it has no right to bar international observers from controlling the human rights situation in that region, Lukin said.

Russia: Far East Committee Opposes Withdrawal From Chechnya

LD0602102096 Moscow ITAR-TASS in English 0734 GMT 6 Feb 96

[By Eduard Popov]

[FBIS Transcribed Text] VLADIVOSTOK, February 6 (ITAR-TASS) — Against the background of vociferous demands from all over Russia to withdraw from Chechnya, a Far Eastern committee for the protection of the rights of servicemen and their families issued a statement opposing it.

"We are warning against the withdrawal of Russian troops from Chechnya. Otherwise, a civil war will break out there between Dudayev's militants and those who do not agree with their bloodthirsty policies," the Vladivostok-based committee said in an appeal which it sent to the Russian leadership on Tuesday.

"We hope for the decisive vote of the Russian President who cannot let Dudayev's mercenaries escape justice and turn the North Caucasus into a hotbed of international terrorism," the appeal said.

"We were bewildered at demands by representatives of Novosibirsk, Novgorod, Tatarstan, and Dagestan to stop the fighting in Chechnya," said committee head Yelena Fedoseyeva who has been to Chechnya on missions in a search for missing federal servicemen.

However, Fedoseyeva, advocating the Russian military presence in Chechnya, opposed sending troops to Chechnya in 1995 when she was head of the Far Eastern committee of soldiers' mothers.

"Expressing the will of all women of the Russian Far East, the committee called on the Russian President, the government and the Constitutional Court, and all military commanders to cancel the ill-considered decision and not to send our sons to the massacre," she told Tass in January, 1995.

In February, 1995, the Far Eastern committee of soldiers' mothers started collecting signatures under an appeal to stop the fighting in Chechnya.

Russia: Nizhniy Novgorod Governor Explains Chechnya Stance

MM0502165196 Moscow IZVESTIYA in Russian 3 Feb 96 p 2

[Interview with Nizhniy Novgorod Governor Boris Nemtsov by Mikhail Berger during Moscow-Zurich flight; date not given: "If Only for a Day Yeltsin Must Personally Head Talks on Settlement in Chechnya, Nizhniy Novgorod Governor Boris Nemtsov Believes" — first two paragraphs are introduction]

[FBIS Translated Text] Moscow-Davos — Shortly before his departure for Switzerland Boris Nemtsov, one of the most popular representatives of Russian policy at the World Economic Forum in Davos, was fully occupied with matters far removed from global economic problems. He has in fact organized a mass movement to end the hostilities in Chechnya.

Taking advantage of the three-hour flight from Moscow to Zurich, your correspondent asked Nemtsov several questions.

[Berger] Is that what a governor should be doing — collecting protest signatures? Why did you decide to try and influence the situation in this particular way?

[Nemtsov] I will explain the reasons why I am getting involved in this. First, there are over 5,000 people from Nizhniy Novgorod Oblast in Chechnya. They are officers and men of the 22d Guards Army, officers and men of Volga District Internal Troops, who are

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billeted with us, and FSB [Federal Security Service] and MChS [Ministry for Emergency Situations] staffers. The number of fatalities is over 50 people. And the number of fatalities is increasing every week, funerals are turning into antigovernment and antipresidential demonstrations.

That is the first reason. The second is that we, just like the whole country, have a very grave budget crisis. This is reflected in the fact that wages are not being paid on time to workers in the budget-financed sphere. But the particularly grave thing is that pension payments are being held back, and for one, two, and sometimes even three weeks. This is happening against a background of additional funding for the Chechen war, which by the president's latest edict is being proposed at the level of 16 trillion rubles plus 1 billion dollars. I fully realize that a solution to the problems in the budget sphere is an unrealistic prospect unless the war in Chechnya is stopped.

The third reason for my antiwar activity is that the war in Chechnya is giving additional ammunition to radicals in the presidential election and leaves Yeltsin no chance of winning in June.

In addition, I found it painful, hard, and humiliating to observe the recent clumsy actions of the power ministries' leaders in Pervomayskoye. They acted like bulls in a china shop, exposing our totally innocent soldiers, and tried to give a good account "of work done" and please the leadership.

[Berger] Having seen and appreciated all this, did you decide immediately to start collecting signatures?

[Nemtsov] No, first I wrote a letter to the president. But then I realized that my opinion could be perceived as the opinion of one of many regional leaders. In that case other leaders who will say that they "do not agree with the previous speaker" will always be found.

When Nizhniy Novgorod newspapers carried a report that such a letter had been prepared, the oblast administration was swamped by literally thousands of telephone calls. Nizhniy Novgorod inhabitants demanded that they be given the opportunity to put their signatures to this letter. Then, in mid-January, at the height of the events in Pervomayskoye, the idea of a collective appeal actually arose spontaneously.

[Berger] How were things organized technically?

[Nemtsov] Many people signed at enterprises, action groups went round apartments and onto the streets, and signatures were collected at schools. Our Nizhniy Novgorod newspapers joined the cause with great enthusiasm and published not only the actual text of the letter but also specimen signature sheets. Many people put their signatures and addresses directly on the newspaper coupons and then cut them out and sent them to both us and the Kremlin. Technically the signatures were collected in the Nizhniy Novgorod Kremlin.

I want to say that collecting 1 million signatures in 10 days in what is not a particularly densely populated region — 3.7 million inhabitants — is no easy matter and, importantly, not something that can be falsified. No administration can secure such a collection all on its own. It is nothing but the expression of the people's will.

It is interesting that on the day when I wrote this letter, an absolutely apolitical Nizhniy Novgorod newspaper — BIRZHA I SVOY DOM [THE EXCHANGE AND ITS HOME] — published an appeal to me from the newspaper's female staff, in which they demanded that I exert some influence on the outrages being committed in Kizlyar and Pervomayskoye.

[Berger] But why specifically a collection of signatures? It smacks somewhat of the collective complaints of the Soviet period.

[Nemtsov] So, what's the attraction of a collection of signatures? First, having received 10 or 20 million signatures in the Kremlin, the president will realize that those appealing to him are the voters who are going to turn out at the election. It is possible to disregard the opinion of experts who propose one option or another. It is possible to disregard the opinion of politicians who are for the president or against him. But it is impossible to disregard the opinion of voters, especially right before an election.

When I put my own signature, which at the time was the only one, to my letter to the president I did not harbor any illusions about the effect of this kind of appeal for decisions to be made. But when the first million appeared, when the campaign began throughout the country, I realized that it would be of key importance since these signatures could turn into signatures either for the president or against him.

During my recent conversation with the president it seemed clear to me that he understood that any opinion can be brushed aside except the opinion of 10-20 million Russians who are going to turn out at the election.

[Berger] But the events in Chechnya are not a television broadcast. They are grim reality, which cannot be "turned off" in an instant. It is good to demand that the war be stopped. But how?

[Nemtsov] I want to say one simple thing. For my part it would be too arrogant and improper to propose

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certain specific, technically elaborated options to the president. First, I am only the Nizhniy Novgorod governor. Second, all kinds of advice could hinder the president from making his own decision.

At the same time it is obvious to me that talks involving the Kremlin, Groznyy, and the gunmen must be resumed. Simultaneously with these talks it could be possible to determine the stages for the withdrawal of Russian troops from Chechnya. Incidentally, I do not think that the immediate withdrawal of federal troops is a decision which could lead to peace.

At any rate, the details of a peace settlement plan must be worked out by the supreme commander in chief. The most important thing now is for the president to make a decision on a rapid — as far as is possible — and peaceful solution to the Chechen problem. He should take part himself, not through representatives, in solving the problem.

If Yeltsin himself personally, if only for a day, were to head these talks, or if only by his presence — as head of state and the guarantor of stability and the Constitution — he were to "bless" the settlement process, that would be very important.

I have been asked whether what we are doing is a version of blackmail aimed at forcing the president to act in one way and not another. The answer to that is simple. What a politician is guided by is not important. It is the results of his action that are important. In the current situation, as I see it, the results of his action will be extremely important to the people.

[Berger] Have you discussed this problem with representatives of the power structures? What do they think about your proposals?

[Nemtsov] I have spoken to very high-ranking people in the military hierarchy. I must say to you, without naming names, that they support our plan, but subordination prevents them from stating this publicly. This is the opinion not only of the generals but also of the officers and enlisted men I have met with on my two trips to Chechnya.

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CIS: Marchuk, Chyhir Back Russia's Inclusion in NATO Issue

LD0402082996 Moscow ITAR-TASS in English 0708 GMT 4 Feb 96

[By Konstantin Pribytkov and Aleksandr Stepanenko]

[FBIS Transcribed Text] DAVOS, Switzerland, February 4 (ITAR-TASS) — The question on NATO expansion should not be settled without Russia's participation, Belarusian Prime Minister Mikhail Chyhir and his Ukrainian counterpart Yevhen Marchuk said in interviews with ITAR-TASS here on Saturday [3 February].

The premiers of the two republics are taking part in the session of the World Economic Forum, discussing, among other things, the issue of European security and the role of the Russian Federation.

Moscow is known to oppose the admission of East and Central European states to the NATO membership. Minsk and Kiev treat with understanding the Russian position. Chyhir stressed that expansion of the North Atlantic Alliance is "a subject for negotiations".

"The interests of all states, above all of Russia, should be taken into account when examining the question of shifting NATO borders," he said, calling attention to the fact that "Russia's anxiety naturally provokes also anxiety in Belarus".

Ukrainian cabinet head Marchuk noted that he is "quite sure" that "it would be dangerous" to tackle the question of NATO expansion without Russia's participation. This would not be beneficial either for NATO, or any European country, or still anybody else.

"I have always spoken about this everywhere," he said, adding: "Any attempt to resolve the question of NATO expansion to the East without this super power, irrespective of who and how treats this issue, will always have a smack of adventure and, far from removing tension, will create another line of tension in Europe. I believe that NATO countries started to understand this better."

CIS: Pastukhov To Control Settlement of Conflicts

LD0502130996 Moscow INTERFAX in English 1123 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Boris Pastukhov, appointed First Deputy Russian Foreign Minister by President Boris Yeltsin a few days ago, told INTERFAX Monday that he will control settlement of all Commonwealth conflicts.

From 1992 until his new appointment, Pastukhov, 62, was Deputy Russian Foreign Minister. He controlled the settlement of the Georgian-Abkhazian conflict alongside other issues.

Pastukhov has been a staffer at the Foreign Ministry since 1986. He was the Soviet ambassador to Denmark from 1986 through 1989, and the ambassador to Afghanistan from 1989 to 1992.

He graduated from Moscow higher technical school in 1958. He was Secretary of the Komsomol Central Committee from 1964 to 1977, and First Secretary of the Komsomol Central Committee from 1977 to 1982.

From 1982 to 1986 Pastukhov headed the Soviet State Committee for Publishing, Printing and the Book Trade.

CIS: ITAR-TASS Carries Press Review for 6 Feb

LD0602074096 Moscow ITAR-TASS in English 0634 GMT 6 Feb 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW February 6 (ITAR-TASS) — Follows a review of the Moscow-based Russian newspapers dated February 6.

ROSSIYSKIYE VESTI on the implementation of 1995 Presidential message provisions.

Now that work on an annual Presidential message to the country's Parliament is an full progress (Boris Yeltsin is to present the message on February 15), the newspaper carries and article reviewing the implementation of the basic programmatic provisions of the 1995 Presidential message.

The chief result is that the second democratic elections to the State Duma have been held in Russia according to the same system is the previous ones. This means that certain rules have appeared in the country's political life for the first time. This is to the credit of the President as the guarantor of the Constitution, the writer of the article points out.

ROSSIYSKIYE VESTI frontpages a letter by the leading oil industrialists of Russia to Boris Yeltsin requesting him to agree to run for a new Presidential term. In comment on the letter, the newspaper' Editorial Board points out that the attitude of the Directors Corps of the oil industry coincides with the opinion of work collectives that regard sharp changes of policy as posing danger to the country's economy.

ROSSIYSKIYE VESTI analyses the election programme of the Communists.

Whatever the attitute to the order of things that has taken ship by now, its "gradual" and "peaceful" change suggested by the Communists would not signify anything

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but new ruin and new hardships, points out the writer of the article, Nikita Vaynonen.

PRAVDA on the future road for Russia.

The newspaper frontpages an article headlined "Revolution or counterrevolution. What is in the future?" by Mike Davidov.

The author proceeds from the assumption that the crucial question now is whether capitalism will be given an opportunity to grow stronger in the country or the October Revolution will get the second wind. The writer of the article focuses his attention on the danger of the Social Democratic road to Russia as the way leading to support for a capitalist counterrevolution.

IZVESTIYA on populist decisions.

The newspaper's analyst Irina Savateyeva describes the series of populist decisions which have been taken recently by both the executive and legislative branches of power as a virtual election campaign.

Savateyeva referred questions which arise in this connection to Aleksandr Smirnov, chief curator of the State treasury and Head of the Main Directorate of the Federal Treasury of the Russian Finance Ministry.

Here are but several figures given in the interview: the January revenue amounted to 15,000,000 million roubles, whereas the planned expenditure is 30,000,000 million roubles, counting out the January decisions on Chechnya, on the coal miners and pensioners.

"It may so happen that the Treasury just will not be able to endure the generosity of election-campaign promises, and we shall have to start simply to eat away our national assets," Smirnov said.

TRUD on the situation in Tajikistan.

Vyacheslav Nikonov, President of the Politika Foundation, Dr of Sc (History), believes that the conflict is rooted in history and is primarily of inter-regional nature. He devoted special attention to Russia's possible position on the situation.

The danger of the emergence of a vast belt of instability in the "Islamic arc" zone renders unconvincing the rather popular point of view that Russia ostensibly has no business that would necessitate its stay in Tajikistan. However, Russian peacekeeping and border guard units should not allow themselves to be drawn into the intra-Tajik clashes, siding with the government.

By maintaining its military and political presence in the region, Russia cannot distance itself economically. If Russia quits, expenses would be repaid hundred-fold, the historian believes.

ROSSIYSKAYA GAZETA runs an interview with State Duma Speaker Gennadiy Seleznev, who stated that "Speaker is not a controller but a key political figure in the State".

KOMSOMOLSKAYA PRAVDA carries an article analysing the causes of the recent tragedy which involved the TU-154 airliner and the role of the Interstate Aviation Committee in this and a number of other air disasters.

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Russia: Bad Weather Postpones Podkolzin Trip to Bosnia, FRY

LD0502142096 Moscow ITAR-TASS in English 1411 GMT 5 Feb 96

[By Anatoly Yurkin]

[FBIS Transcribed Text] MOSCOW, February 5 (ITAR-TASS) — Russian airborne troops commander Colonel-General Yevgeniy Podkolzin will leave on an inspection trip for the Balkans, where Russian troops are taking part in a multinational peacekeeping mission, on Tuesday [6 February].

Podkolzin was due to leave on Monday, but his flight was canceled because of bad weather.

The general will fly to Tuzla and from there he will go to the Posavin corridor where Russian peacekeeping troops are stationed.

The main goal of the trip is to examine the organisation of service, security and everyday life of the troops.

Russia: Fears That 'Blissful' IFOR Atmosphere Will Not Last

MM0502155196 Moscow IZVESTIYA in Russian 3 Feb 96 p 3

[Report by Boris Vinogradov: "First Problem Has Already Surfaced Between the Russian and NATO Peacekeepers in Bosnia"]

[FBIS Translated Excerpt] On the day that the brigade of Russian peacemakers in Bosnia completed its reconnaissance and began patrol duties, the first stage of the IFOR operation began. It was designed to run for 40 days and envisaged the implementation of the initial points in the Dayton accords.

Some results are being summed up. Forecasts are being made on the basis of those results. Some people are encouraged by the experience to date, others are worried. The whole operation devised by NATO has been timed to the day and in some instances to the hour.

Of the initial measures the most successful has been the transfer of troops. Some 45,000 of the 60,000 planned troops have already arrived. The Russian assault troops have been particularly outstanding: Their level of organization and training have surprised the West and won the NATO leadership's praise. Their forced march into Bosnia was carried out without a single snag or violation of procedure. The aircraft arrived and departed precisely according to schedule. [Passage omitted]

But for many people the most intriguing aspect is that of the relations between the Russian peacekeeping forces and their NATO partners. It is not just a matter of subordination. Observers are wondering how long this blissful atmosphere between the Americans, who clearly support the Muslims, and the Russians, who sympathize with the Serbs, can be maintained.

The first problem already appeared between them when Leontiy Shevtsov, appointed deputy to George Joulwan, NATO supreme commander, Europe, for the IFOR operation, met with the disgraced Serbs Radovan Karadzic and Radko Mladic, who are being sought as "war criminals" by the international court in The Hague. At first the Americans pretended not to notice. But soon after, "IFOR" commander Admiral Leighton Smith stated that he would provide assistance in the detention and capture of Shevtsov's recent interlocutors.

The situation is quite sensitive. Our men did not waver, admittedly, but the Americans did not apply particular pressure, clearly believing that there will be many more tests of "maturity" ahead. After his retirement, Richard Goldstone, the general prosecutor of the international court in The Hague, stated that "everyone is equally guilty" in this war and the Croats' behavior on the occupied territories had been no less outrageous than the Serbs'.

In a deeper sense we are talking about things which are hardly compatible. In the Russians' minds their partnership duty toward NATO is hardly compatible with the desire to support the Serbs and save Russia's weakened prestige in the Balkans. One way or another NATO's eastward advance has virtually taken place. According to certain information the Americans intend to maintain the military base in Tuzla and turn it into something akin to the one recently set up in Hungary.

Warren Christopher is going to discuss the course and details of the operation with Yevgeniy Primakov in Helsinki, where he will go immediately after his tour of the former Yugoslavia. The heads of the two foreign policy departments have things to discuss. By all accounts the Bosnian experience of military partnership, the first of its kind since the [world] war, is creating a good background for a familiarization with and examination of other problems.

Russia: Yeltsin Still Plans China Visit Despite Earthquake

LD0502151796 Moscow INTERFAX in English 1355 GMT 5 Feb 96

[FBIS Transcribed Text] Moscow, Jan 5 (INTERFAX) — Russian Deputy Foreign Minister Aleksandr Panov said that Russia may send humanitarian and other aid to victims of an earthquake in China.

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Panov told INTERFAX Monday that the Russians sympathize with the victims of the tragedy and noted that China invariably responded promptly to any event of this kind in Russia.

President Boris Yeltsin's plan to visit China in March or April has not changed, Panov said.

Russia: Shevtsov Made To Feel 'At Home' at NATO Headquarters

MM0602100996 Moscow IZVESTIYA in Russian 6 Feb 96 p 3

[Report by Yevgeniy Bovkun: "The Language of Command Knows No Borders. A Russian General at NATO Headquarters"]

[FBIS Translated Text] If this man had tried to get into NATO headquarters in Brussels only a few years ago, NATO officials say, he might have been shot without warning. But today General Leontiy Shevtsov and his four adjutants, in Russian servicemen's uniform, show their passes at the gate every day without causing the sentry the slightest surprise. He just raises his hand to his cap mechanically, in greeting.

The boss of the headquarters, George Joulwan, NATO Supreme Allied Commander Europe, calls it a "peaceful occupation" and tries to make his Russian colleagues feel at home. Shopping trips and minibus excursions to Paris and Brussels are organized for them, during which it is permitted to photograph everything.

Trying not to step on their guests' toes, the hosts do not talk to them about events in the North Caucasus. For the same reason, on all documents originating with General Joulwan and addressed to General Shevtsov, the top line "NATO Supreme Allied Commander Europe" is carefully erased with white correction fluid, and "Commander, U.S. Forces in Europe" is written over the top. Joulwan thinks it is nicer for the Russians that way. He is also sure that the more the Russian generals are integrated into the mechanism of the division of duties and responsibilities in NATO command structures relating to the settlement of international conflicts, the less interest Russia will have in hampering the development of military cooperation with the West.

Observing that the Russian general, after over 30 years' service, has learned to control his voice as well as they themselves do, changing the tone within a few seconds from a stern commanding tone to one of friendly confidence, his NATO colleagues have found a worthy partner in him. "We speak the same language, a language that knows no borders," they emphasize at every opportunity. Just in case, however, General Shevtsov diligently studies an English language textbook every morning.

From his office window he can see a piece of the Berlin Wall, placed in the yard for general edification. However, this does not distract him into unnecessary thoughts and does not stop him concentrating on carrying out partnership tasks. To make it easier to do so, he turns to a different set of symbols — two photos of the Kremlin which are right there on his desk.

Russia: Commentary Criticizes NATO's Expansion Eastward

LD0502142296 Moscow Voice of Russia World Service in English 1210 GMT 5 Feb 96

[FBIS Transcribed Text] An international conference on European security took place in Munich from the third and fourth of this month. Politicians and experts from a number of countries took part in it. Russia was represented by First Deputy Defense Minister Andrey Kokoshin. Commentary is by Yuriy Sultan:

There was much talk at the conference that partnership relations between Russia and NATO were a key element of European security. Regrettably the Secretary General of NATO Javier Solana and representatives of NATO countries displayed an approach that could not only undermine the establishment of such a relationship but also to create a military barrier between Russia and NATO. The point of issue is NATO's plans to expand eastward by admitting Poland, Hungry, the Czech Republic, Slovakia, and the Baltic republics. It has been announced that in the middle of April NATO begins to discuss admission of those countries. In December NATO foreign ministers are to discuss ways of when and on what conditions to admit new members. According to these plans the Russian representative said NATO wanted to spread its influence up to the Russian borders. The Russian Government considers such plans as dangerous, unfriendly, and even hostile. All the political parties in Russia support (?our) position. They only have various proposals of retaliatory measures. Russia cannot prevent any country from entering an organization but Moscow warns that the deployment of NATO military structure close to its borders and a possible deployment of nuclear weapon on the territory of its new members will lead to a division in Europe and break the existing balance of forces which is the basis of European security.

Even leading Western politicians seem to feel the risk of NATO's plans. German Chancellor Helmut Kohl calls for greater caution and understanding in relations with Russia. French Defense Minister Charles Millon calls for signing a special security agreement between

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Russia and NATO. U.S. Defense Secretary William Perry suggests signing new agreements with Russia in addition to the partnership for peace scheme.

A solution to the problem can still be found if NATO's leaders try taking into account Russia's interests and those build equal relations.

Russian Foreign Minister Yevgeniy Primakov said it would be good if all the parties concerned worked together this year and reach agreement to meet the interest of the countries seeking membership of NATO and to prevent the spread of the alliances military organization to the East. The situation could be eased by the creation of a system under the auspices of the Organization for Security and Cooperation in Europe that will comprise all the countries on the basis of bilateral and multilateral agreements.

Russia: Duma Deputies Discuss Primakov-Christopher Meeting

LD0502190796 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — No breakthroughs are expected at the working meeting between Russian Foreign Minister Yevgeniy Primakov and U.S. Secretary of State Warren Christopher, to be held in Finland on February 10-11, head of the State Duma Foreign Affairs Committee Vladimir Lukin from the Yabloko faction told journalists in Moscow Monday.

He believes that the meeting will center on issues relating to NATO's eastward enlargement, Russia's admission to the Council of Europe, the crisis in Tajikistan and the situation in the Caucasus in connection with the conflict between Georgia and Abkhazia.

Liberal Democratic Party leader Vladimir Zhirinovskiy, for his part, believes that the meeting may produce results only if the Russian foreign minister takes a tough stand.

He believes that toughness must be demonstrated on issues relating to the situation in the Balkans, Iraq, Libya and Afghanistan.

Russia: Western Pressure for Reforms Continuation Seen

MM0502145096 Moscow PRAVDA in Russian 3 Feb 96 p 3

[Article by Vladimir Bolshakov: "Blackmail in the Name of Democracy"]

[FBIS Translated Text] The Western press is now full of "threats" to President B. Yeltsin and his administration. From the United States and the European capitals there are frequent warnings to the Kremlin incumbents: The fact that you have removed our, that is your, reforming ministers which are the West's favorites we shall endure somehow with gritted teeth. But if you dare to abandon the policy of reforms which they pursued then you will have only yourselves to blame!"

The Kremlin has evidently been so frightened by these threats that B. Yeltsin himself has already several times in succession, including in a personal telephone conversation with B. Clinton, given an assurance that he will give up his life for the reforms to continue. Chernomyrdin is absolutely amazed when he is told of the "threat" to the reforms and merely shrugs: "Our course remains the same, no one intends to depart from the reforms."

This whole thing has developed according to a scenario of which everyone has long been sick. As soon as the elections approach in the Russian Federation the West immediately begins to shout about the "red-brown" peril, the "threat to the reforms," and the "imminent restoration of bolshevism." On this pretext they immediately freeze programs of economic aid to Russia.

Recently they have begun to talk very toughly with Russia. The U.S. and European press are issuing not only guidelines for the Russian democrats but also direct instructions to the Russian Federation Government and even to President Yeltsin as to what they should do and not do. The record for impudence goes perhaps to THE NEW YORK TIMES which, no longer hiding anything, recently wrote in an editorial entitled ""We Have Been Embracing Them Long Enough!": "U.S. policy will be judged by whether President Clinton is able to do everything possible to keep Yeltsin and Russia on the reforms path."

That in normal international practice this is called overt interference in a sovereign state's internal affairs is no longer even mentioned by anyone.

In the serious business press, however, where they do not give a brass farthing for propaganda, Western analysts give a more sober explanation of the reasons why Yeltsin's administration has been subjected to reshuffling and has been obliged to suspend what our people have aptly termed "piratization." The Paris INTERNATIONAL HERALD TRIBUNE wrote in its "Business and Finance" section that "the privatization begun two years ago is extremely unpopular with voters, who believe it is nothing but the handing out of state property to a few brazen operators with good connections and bankers."

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Sensible state leaders, having analyzed the situation, would never have allowed the gentlemen from the West to frighten us with the threat of cutting off economic aid or refusing credits, because it is Russia which is giving financial aid to the West and providing credits for its economy. Hundreds of billions of dollars have, moreover, been transferred by the "new Russians" into Western banks and were they to remove them tomorrow the West would be faced with a crisis compared with which the "Great Depression" would look like a minor inconvenience.

True state wisdom, however, will hardly come to those Kremlin figures who are being put on the "true path" by Washington, the World Bank, and the IMF with all the other "advisers" of the all-powerful "G-7." Russia's salvation lies in acquiring this wisdom, for which the present president and his entire administration must be removed during the forthcoming elections. These elections must be won by the man who will proceed not from slavish time-serving to the West but from the concept of Russia's independence and the defense of its national industry and agriculture, science and culture, and national traditions and ideals. Such people do exist in our state. Their time has come.

Russia: G-7/Russia Summit To Discuss Nuclear Smuggling

LD0502190696 Moscow ITAR-TASS in Engli. 1703 GMT 5 Feb 96

[By Veronika Romanenkova]

[FBIS Transcribed Text] MOSCOW, February 5 (ITAR-TASS) — Measures to block trafficking in nuclear materials will be a major focus of a forthcoming G-7-Russia summit in Moscow scheduled for April 19-20.

The agenda will also include safe development of nuclear power engineering, proper handling of weapon fissile materials, and tightening controls over flows of nuclear materials.

Russian Nuclear Power Engineering Minister Viktor Mikhaylov said that preparations for the summit were discussed during a Washington session of the Russian-U.S. Commission on Scientific and Technological Co-operation in late January. "The two sides have similar stances (on this issue)," Mikhailov said.

Russia: Atomic Energy Minister Prepares for G-8 Meeting

LD0502220996 Moscow INTERFAX in English 1909 GMT 5 Jan 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Russian Atomic Energy Minister Viktor Mikhaylov held a meeting in Moscow Monday of the interdepartmental working group for preparing the upcoming G8 summit on nuclear security and non-proliferation.

The working group is preparing documents on safer and more reliable handling of nuclear materials, prevention of nuclear trafficking, tougher control of nuclear materials and prospects for safer development of nuclear power production.

Special attention will be paid to working out common procedures and principles for the prevention of stealing and smuggling nuclear materials. The summit will also consider establishing an exchange of information on uranium and plutonium stolen and measures to toughen the accounting of and reporting on stored nuclear materials.

Russia and the United States are undertaking joint efforts to improve the reliability of the accounting and reporting system, director of the ministry's information department Georgiy Kaurov told INTERFAX. New systems have been introduced at a number of Russian nuclear enterprises, including the chemical combine Mayak in Chelyabinsk-40 where the installation is in progress.

The latest meeting of the Chernomyrdin-Gore commission also raised this issue, Kaurov said. The two countries are expected to undertake new efforts this year to improve nuclear security and toughen control of nuclear materials at some Russian enterprises, including the federal research centers in Krasnoyarsk-25, Sverdlovsk-44 and Beloyarsk nuclear power plant.

Kaurov said the working group will submit its proposals to Russian President Boris Yeltsin by March 15. Then experts from the G7 countries and Russia will hold their next meeting in Moscow. The previous meeting was held in Paris on January 22-24.

The G8 summit is expected to consider the development and signing of international conventions on nuclear security, recycling nuclear waste and prevention of dumping liquid nuclear waste to the sea.

Russia: 'Political Games' Predicted Over START II Ratification

MM0602094396 Moscow TRUD in Russian 6 Feb 96 p 4

[Commentary by TRUD international observer Aleksandr Yerastov: "How Not To Bring Down the 'Ceiling'"]

[FBIS Translated Text] The U.S. Senate has, in the American terminology, given "advice and consent" to

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its President to approve the Treaty on the Reduction of Strategic Offensive Arms, START II. By ratifying this document the Senate has thus shown the State Duma that it is time for it too to take an analogous step.

In Moscow, supporters of ratification believe that the treaty is extremely advantageous to us. Primarily because it sets "ceilings" for strategic arms that are equal and — very importantly — acceptable to Russia: 3,000-3,500 nuclear warheads. It can all be explained very simply: The fact is that in any case Russia cannot retain a larger number of them for a prolonged period. We do not have the money, and the United States does. And unless we ratify the treaty the Americans will be able to maintain some 8,000 warheads.

In the view of one ardent supporter of ratification, Vladimir Lukin, chairman of the Duma Committee on International Affairs, the question is whether Russia is to become a "second-class" strategic country, like China, Britain, and France, or whether it is to remain on a level with the United States. In the Russian parliament in general, attitudes to the START II Treaty are very mixed. Many deputies say that at best they will approve the document with many clarifications. Some people, citing anonymous representatives of the Russian Defense Ministry, believe that there is no way the START II Treaty can be ratified, since, they say, even START I's implementation is only 40-percent funded. Communist leader G. Zyuganov states that Russia's participation in START II should be reviewed in the light of the planned NATO expansion.

Many people link the present treaty to plans for the North Atlantic bloc to advance eastward, although strictly speaking there is no direct connection. On the other hand, it should, I think, be clear by now to any observer that the "cooler" our relation with NATO are, the more urgent the treaty's ratification is to Russia.

Boris Yeltsin has said that Russia does not intend to change its stance on NATO expansion. At the same time it seems that a clear stance on NATO's plans does not preclude political games over the ratification of the START II Treaty in the light of the approaching presidential elections. Any "weakness" in Moscow on the NATO question will heighten criticism of the START II Treaty. And there can be no doubt that certain candidates for the presidency are not above playing a kind of "political football" in this regard.

Maybe the people who are right after all are the ones who think: Let the treaty be ratified later — after the presidential elections — rather than "ceremonially wrecked" before them.

Russia: Soskovets on Plans To Expand Arms Exports

LD0502125196 Moscow INTERFAX in English 1123 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Despite strong competition on the world market, Russia intends to expand the export of arms this year, First Deputy Prime Minister Oleg Soskovets has declared in an interview with INTERFAX.

This sphere of foreign trade means a lot of Russia since it enables Russia to market high tech products abroad. "Many of our designs are obviously superior to their foreign twins, and we will push ahead for sale markets," Soskovets said, suggesting that bigger sales of arms will help to stabilize the munitions industry, in which the situation remains complex today.

The cabinet plans a number of measures to prop up the munitions industry, convert part of military production to civilian use, and develop dual-purpose technologies at munitions plants, Soskovets said, adding that some military factories even plan to produce equipment for the oil and gas industry.

"Experts note that over the last three years, the class of domestic equipment, produced above all by defense enterprises, has become significantly higher, being competitive with German, French, and U.S. machinery," Soskovets said, reporting that the cabinet plans to invest more in the machine-building complex this year. Capital investments in the defense complex from all sources of financing will total 7.1 trillion rubles, which is an almost 9 percent increase from last year.

Conveyor lines will be assigned to assemble tractors and diesel engine farm machines, busses, cars and trucks, Soskovets said.

Russia: Ukraine Premier Cited on Black Sea Fleet, Issues

LD0502192596 Moscow INTERFAX in English 1757 GMT 5 Feb 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Prime Minister Yevhen Marchuk does not see why a comprehensive treaty between Ukraine and Russia cannot be signed soon. The treaty resolves all disputes, he believes.

In an INTERFAX interview in Davos, Switzerland where he attends the World Economic Forum Marchuk said that the Black Sea Fleet problem could be resolved before the early April meeting of the Ukrainian and Russian presidents. He added that two or three years

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will be needed to resolve the technical matters such the evaluation and transfer of property.

Marchuk recalled that the border issue was resolved during his meeting with Russian President Boris Yeltsin early in 1995. "Russia is dissatisfied only with the citizenship issue," Marchuk said. The two sides decided to work out an agreement on this issue, too, in later talks, he recalled.

Marchuk called for keeping the draft treaty intact. If any item in it is changed, some compromise will be upset and then it would be natural for us to call off compromises Ukraine agreed to.

Marchuk said that the Marchuk-Chernomyrdin commission will hold its first session on February 13-15.

Ukraine has not been under any pressure in the political sphere with the use of the fuel factor, he said. Marchuk added that he had discussed this issue with the Russian Foreign Minister Yevgeniy Primakov recently.

Marchuk emphasized the need for modernizing the energy supply to Ukraine. The setting up of five independent utilities will facilitate this.

The coal mining industry will be reformed at an increased rate, he said.

During his stay in Davos Marchuk told a special meeting of the forum that western businessmen should invest more in the Ukrainian economy promising an economic recovery and growth in his country.

The Ukrainian traditions of democracy and stability are factors encouraging western investments, he believed.

The recent elections resulted in a new parliament and president and in both cases the change was peaceful. "Never was the state's commitment to pluralism and democracy in doubt," Marchuk said.

In his view, Ukrainians are united in their desire to see Ukraine a normal market-oriented country. He attributed the galloping inflation and the deepest production plunge in 1993 to a wavering and inconsistent policy. But this made the people support the reform and hate inflation, he said.

According to Marchuk, his country and the International Monetary Fund disagreed on the economic situation in the country. "But when the it knows that we have paid are foreign debt, that there are no secret guarantees of gas import and the parliament-endorsed budget with a deficit of 2.2 percent of the GDP by the IMF standards, the fund will agree that the program is underway," he said.

Marchuk emphasized that the government decided in January 1996 that the process of auctioning the businesses should be accelerated. It also allowed secondary trading in privatization certificates and decided to create effective incentives for factory directors to accelerate the privatization rate.

Bureaucrats who resist the reform do not represent the majority of the people, he argued. "The government has no intention of retreating. I am a resolute supporter of the reform program and will do my best to enable Ukraine reap its fruits," Marchuk said.

Russia: Admiral Baltin Resisted Black Sea Fleet Transfer

LD0502202496 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] SEVASTOPOL, Feb 5 (INTERFAX) — The former Black Sea Fleet (BSF) commander, Admiral Eduard Baltin, told INTERFAX Monday that he was very grateful to the Russian president for having relieved him of the burden he endured.

"I could not hand over the fleet, because it is not only Russia's history, but a part of Russia," Baltin said. "The issue under consideration was not only the handover of the fleet and Sevastopol where the BSF was the main factor of the military and political situation before January 1, 1996, but also the loss of Russia's positions in Crimea," he said.

According to Baltin, his convictions did not conform to the instructions he had to comply with. "This is why I say I was freed of compunctions," he said. Baltin had been sacked as BSF commander jointly by the Russian and Ukrainian presidents on January 16.

"With the reduction of the fleet, the post of its commander is becoming increasingly formal, and I am happy I am not the last one," Baltin said. "If there is no fleet, there is no commander," he added. "A base commander can manage a bay and a dozen ships, but this is another category," Baltin said.

Russia: Ukraine's Demand for Increased Oil Tariff 'Unreasonable'

LD0602113296 Moscow ITAR-TASS in English 0954 GMT 6 Feb 96

[By Igor Ivantsov]

[FBIS Transcribed Text] MOSCOW, February 6 (ITAR-TASS) — Members of the Russian delegation to Russian-Ukrainian oil talks described as unreasonable Ukraine's demand to increase tariffs for transporting oil through its territory.

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The delegations will resume discussion of the possible amount of a new tariff on Tuesday [6 February], sources in the Russian Fuel and Power Ministry told Tass.

On the first day of talks on Monday, negotiators failed to fix a tariff which would satisfy both sides, the sources said.

The Russian side considered unacceptable a 5.2 US dollar tariff for transporting one tonne of oil through the Ukrainian territory, which Ukraine established in January, 1996, the sources said.

Russian experts think that only a small increase of several percent is economically feasible so that it can reach 4.7 to 4.8 US dollars. Before that time, Ukraine charged 4.53 US dollars per tonne, according to the sources.

The reasons for a 10 to 15 percent tariff increase, presented by the Ukrainian side, are economically groundless. They cited a decrease in the oil quantities to be passed thorough the pipe in 1996. However, a two to three million tonne reduction is too insignificant to cause a tariff rise, the experts say.

Instead of taking into consideration the current economic situation, Ukraine took the example of other countries where tariff rates are higher, according to them.

A considerable tariff increase may be discussed only if the amounts of transported oil sharply fall, they say.

If today's session produces no results and the two sides fail to agree on a tariff rate which would satisfy them both, the Russian side is expected to go to international arbitration to receive an objective opinion on the issue, the sources said.

Russia: Military Equipment To Go to Finland To Clear Debt

LD0502173696 Moscow Mayak Radio Network in Russian 1600 GMT 5 Feb 96

[FBIS Translated Text] Moscow and Helsinki have reached a final agreement on the supply of Russian military equipment worth 850 million Finnish markka to Finland. This was announced at a news conference in Moscow today by Ole Norrback, Finnish minister for European affairs and foreign trade. He held talks today with Oleg Davydov, deputy prime minister and head of the Ministry for Foreign Economic Relations. Deliveries of armaments from Russia are to clear Russia's debt of 3.5 trillion Finnish markka to Finland.

Russia: Treaty Between Abkhazia, Kabarda-Balkaria To Remain

LD0502224496 Moscow ITAR-TASS World Service in Russian 1601 GMT 5 Feb 96

[By ITAR-TASS correspondent Gennadiy Kipkeyev]

[FBIS Translated Text] Nalchik, 5 Feb (ITAR-TASS) — A treaty between Abkhazia and the Republic of Kabarda-Balkaria will remain in force in spite of the situation between Georgia and Abkhazia exacerbating further, Valeriy Kokov, the president of the Republic of Kabarda-Balkaria and deputy chairman of the Federation Council of the Russian Federal Assembly, reported to an ITAR-TASS correspondent today. He said that Kabarda-Balkaria will be decisively fulfilling all the provisions of the treaty between the two republics, one of which envisages information exchange between Abkhazia and the Republic of Kabarda-Balkaria. Relations between the fraternal republics will be stable and dynamic, Valeriy Kokov stressed.

Russia: Stand on Georgian Territorial Integrity 'Unshakable'

LD0502212196 Moscow INTERFAX in English 1759 GMT 5 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Moscow's position favoring the territorial integrity of Georgia remains unshakable, a senior Russian diplomat tackling Georgian-Abkhazian settlement told INTERFAX in Moscow Monday.

Russia does not want to sacrifice its own territorial integrity, the source said. "Why should we approach another state with double standards?" he asked rhetorically.

The Russian-Abkhazian consultations launched last week in Moscow resumed Monday, the diplomat said.

Russian Federation Council Chairman Yegor Stroyev will meet with Abkhazian leader Vladislav Ardzinba later Monday afternoon, he said.

How long the consultations will last will depend on Ardzinba himself, the diplomat said. "In this case, Russian officials do not intend to limit Ardzinba's time and put obstacles before him," he said.

Russia: Deputy PM Views Economic Reform With Austrian Official

LD0502153396 Moscow INTERFAX in English 1355 GMT 5 Feb 96

[FBIS Transcribed Text] Moscow, Feb 5 (INTERFAX) — Russia's First Vice Prime Minister Vladimir Kadan-

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nikov has said that maintaining the course of Russian economic reform is inevitable. He was speaking at a meeting with the chairman of Austria's Federal Chamber for Economy, Leopold Madertanner, in Moscow on Monday.

Kadannikov reassured the Austrian business representative that the course for economic reforms will be continued and, as before, it will enjoy support, an employee from Kadannikov's office said.

The head of the Austrian chamber, a non-government body, said that it was necessary to develop a system of government legal guarantees for investors in order to attract foreign investments in Russia on a much wider basis.

There was a growth in the goods turnover between Russia and Austria in 1995, the officials said. The Austrian republic occupies third place in terms of the volume of its investments in the Russian economy and fifth place in terms of the number of joint ventures created together with Russian partners.

Russia: Panov Says Russia 'Meets All Criteria' To Join APEC

LD0602115496 Moscow ITAR-TASS in English 1047 GMT 6 Feb 96

[By Andrey Varlamov]

[FBIS Transcribed Text] MOSCOW February 6 (ITAR-TASS) — Russia "already now fully meets all criteria for being admitted to the Asia-Pacific Economic Cooperation (APEC) Forum," Russian Deputy Foreign Minister Aleksandr Panov has told ITAR-TASS on the eve of an APEC Working Meeting which opens in Manila on February 7. He spoke in comment on the opinion which is being expressed within the APEC about the need to extend the embargo on APEC enlargement.

Russia's non-involvement in APEC activities during the transitional economic period "may have far-reaching and, in the final analysis, negative consequences for our future participation in the Forum and for APEC activities as a whole," the Deputy Minister said.

Moscow favours joining APEC as a full member and "does not regard as convincing" the argument that the Forum structure has not yet been finally fixed, the high-ranking Russian diplomat pointed out.

"In our view, Russia's joining the APEC will not bring about any complications. Our membership applications are based on the premise that we share the principles of APEC activities and are ready for collective cooperation in exercising them," Panov said.

Among 18 APEC members, there are advocates of the admission of Russia, as well as Vietnam, which has joined ASEAN. A number of countries also favour that the applicants be given an opportunity to join the Forum through Working Groups. Russia is also prepared for that and has already filed appropriate applications and expects them to be accepted, Panov said.

The Russian Deputy Foreign Minister said an inter-agency commission, representing more than 10 ministries and departments, has already been set up in Moscow to tackle specific aspects of Russia's joining in APEC activities. The commission's first meeting is planned for the end of February.

APEC was founded in 1989, and one of its main taks is to liberalise trade within the Asia-Pacific Region. The APEC brings together Australia, Brunei, Hong Kong, Indonesia, Canada, China, Malaysia, Mexico, New Zealand, Papua-New Guinea, Singapore, the United States, Thailand, Taiwan, the Philippines, Chile, South Korea, and Japan.

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Political Issues

Russia: Yeltsin, Primakov Discuss Resolving Crises in CIS

LD0502152896 Moscow ITAR-TASS in English 1500 GMT 5 Feb 96

[FBIS Transcribed Text] Moscow, February 5 (ITAR-TASS) — Russian President Boris Yeltsin had a working meeting with Foreign Minister Yevgeniy Primakov in the Kremlin on Monday.

Primakov informed the president about the results of his just-concluded trip to a number of CIS states.

Yeltsin and Primakov also discussed measures to resolve crises in some of the CIS countries, primarily in Tajikistan.

They also discussed the upcoming meeting between the Russian foreign minister and U.S. Secretary of State Warren Christopher to be held outside Helsinki on February 9-10, 1996, the presidential press service said.

Russia: Yeltsin: Wages Payment Outweighs Political Freedoms

LD0602111996 Moscow ITAR-TASS in English 1110 GMT 6 Feb 96

[By Andrey Surzhanskiy]

[FBIS Transcribed Text] MOSCOW February 6 (ITAR-TASS) — President Boris Yeltsin believes the problem of back wages outweighs the political freedoms, which the citizens received in the years of reforms, and urged the government to solve the problem and punish those responsible for it, according to his aide.

"The head of state considers non-payments of wages to employees of budget-financed spheres as a rude violation of social and economic rights which cannot be compensated for by any political freedoms", Aleksandr Livshits, the economic aide of the Russian leader, told journalists on Tuesday [6 February].

Back wages have sent Russian coal miners and teachers on strikes of late and, according to Livshits, the president ordered the government to draft a complex of measures to ensure the payment of wage arrears.

Livshits made it clear Yeltsin would not spare those heads of state enterprises, local authorities and joint stock companies with most stock belonging to the state who loan wage funds on the side thus causing delays in paying their workforce.

Yeltsin has already ordered a check of some ministries regarding the fulfilment of his decree No. 66 which envisages personal responsibility of officials for timely wage payments.

"I would by no means try to intimidate anyone, but I have to say that the president is resolutely minded and those who violate the decree No 66, i.e. improperly use money intended for social needs, will be punished", Livshits said.

The aide added that a plan of increasing budget revenues for timely and full wage payments had been already prepared by the government and would be submitted for the consideration of the head of state today.

"If the president approves the plan, the situation will be considerably improved by March", Livshits said.

Russia: Yeltsin Fires Parliament, Court Representatives

LD0502140296 Moscow ITAR-TASS in English 1336 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, February 5 (ITAR-TASS) — Aleksandr Yakovlev today was relieved of his duties as the Russian President's representative in the Federal Assembly (parliament of the Russian Federation) and Valeriy Savitskiy was sacked as the President's representative in the Constitutional Court.

Russia: 'No Political Reasons' for Yakovlev's Dismissal

LD0502223696 Moscow Radiostantsiya Ekho Moskvy in Russian 1900 GMT 5 Feb 96

[FBIS Translated Text] Today the Russian president signed a decree relieving Aleksandr Yakovlev of the post of presidential representative at the Federal Assembly. In an interview with our radio station, Yakovlev noted that there are no political reasons for his dismissal.

[Begin Yakovlev recording] The president invited me to this work. I tried to do the best I could. Maybe, the administration wants somebody more energetic to continue this work. This is the only explanation I can give: A person of pensionable age is leaving. I am sure the policy I laid down in my work and which is being maintained — interaction with the Federal Assembly — will be continued. There is a new composition in the Duma. I had good working relations with the Duma's previous composition. Maybe, there is a need for a new approach. In a word, there is a combination of objective and subjective circumstances. I am looking forward to my return to the Institute of State and Law and meetings with students. [end recording]

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Russia: Yeltsin Amends Law on Banks, Banking Actitivies

LD0502221996 Moscow INTERFAX in English 1909 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (FIA-INTERFAX) — Russian President Boris Yeltsin on Sunday [4 February] signed amendments to the law on banks and banking activities adopted by the State Duma on July 7 and approved by the Federation Council on July 21, 1995, sources in the presidential administration told INTERFAX Monday.

According to the amendments, banking licenses may be recalled if the banks report inexact information, neglect banking legislation, perform unlicensed operations or violate investors and creditors' rights.

The amended law stipulates that banking activities are regulated by the Russian constitution, present law, other federal laws and normative acts issued by the Central Bank of Russia.

The final version of the amendments did not include a provision under which banking activities could be regulated by presidential decrees.

Russia: Premier Interrupts Vacation To Attend Meetings

LD0602113696 Moscow ITAR-TASS World Service in Russian 1107 GMT 6 Feb 96

[FBIS Translated Text] Moscow, 6 Feb (ITAR-TASS) — Prime Minister Viktor Chernomyrdin, who is vacationing in Sochi, is to return to Moscow tomorrow to attend a meeting of the Security Council, his press secretary Viktor Konnov told ITAR-TASS today.

Chernomyrdin will have several meetings tomorrow. On 8 February he will meet with Danish Prime Minister Poul Nyrup Rasmussen and will take part in a meeting of the Russia Is Our Home movement. He is expected to return to Sochi on the same day.

Russia: Chernomyrdin Denies More Dismissal Rumors

LD0502200796 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 5 Feb 96

[From the "Vremya" newscast]

[FBIS Translated Text] Rumors have surfaced in Moscow again in the last few days of the impending dismissal of Prime Minister Chernomyrdin. This is being linked to his unexpectedly going on vacation.

Our correspondent asked Chernomyrdin to his face about this.

[Begin recording] [Unidentified correspondent] The comments concerning your arrival here have been that you have decided to lie low while the president makes his decision.

[Chernomyrdin, laughing heartily] Nothing of the kind. It is just that, really, I have had such luck, as I call it, that there is this period before great battles start, because I had no vacations last year, either in the summer or the winter. So I think I will stay here for a couple of weeks.

All the measures planned by the government will be implemented, and in the cases where I am needed I will certainly participate.

[Correspondent] One more thing, Viktor Stepanovich. In connection with the partial changes in the composition of the government, will there be any changes in our government's course?

[Chernomyrdin] No, there will be absolutely no changes in the main course of implementing economic reforms and perfecting market relations. I am often asked this question and I often answer that we are just the country that has embarked on this path and have actually been moving along it already for five years. This policy is being implemented in the country, and, as they say, it is no simple matter and the costs are great. The price of these reforms, of economic reforms, the mastering of market relations, as it is called, must not be too great, and it is obligatory for us to perfect this course, it is simply obligatory.

The president has formulated the task for today, that the main accent must be on social issues. Of course, social tension must be eased for Russian citizens, it must be removed. We had gone into completely unknown territory and tried to take on too much, and we bit off more than we could chew. Whatever one tackles one should know what one's doing because one pays for one's mistakes, and it is our people who pay the price, which is no credit to us. We must perfect things in this sphere, and we will. [end recording]

Russia: TsIK Registers 36 Presidential Support Groups

LD0502125496 Moscow INTERFAX in English 1123 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTER-FAX) — The Central Electoral Commission [TsIK] has registered 36 support groups, which have nominated 30 presidential candidates, commission member Raif Biktagirov told INTERFAX Monday.

Four candidates were named by election alliances: the Assembly of National Patriotic Forces nominated Duma

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member Petr Romanov, while the National Republican Party, the Liberal Democratic Party of Russia and the Congress of Russian Communities nominated their leaders — Nikolay Lysenko, Vladimir Zhirinovskiy and Aleksandr Lebed.

Biktagirov said seven groups had nominated President Boris Yeltsin.

The other candidates nominated by voters' groups are former Soviet president Mikhail Gorbachev, leader of the Derzhava (Great Power) movement Aleksandr Rutskoy, president of the MMM corporation Sergey Mavrodi, businessman Artyom Tarasov, chairman of the Kemerovo regional legislative assembly Amangeldiy Tuleyev, leader of the Russian Communist Workers' Party Viktor Anpilov, leader of Russian National Unity Aleksandr Barkashov, and Duma members Gennadiy Zyuganov, Konstantin Borovoy, Boris Fedorov and Galina Starovoytova.

Biktagirov said the Monday session of the Central Electoral Commission will continue registering support groups. The process should be completed by March 2.

He said that before 6 p.m. on April 16, the commission should receive from every candidate a personal application, a declaration of income for the previous two years, the signatures of one million supporters and other documents required for registration.

Russia: Financial Rules for Election Campaign Issued

MM0502161696 Moscow IZVESTIYA in Russian 3 Feb 96 p 2

[Report by Anatoliy Stepovoy: "Russian President's Post Valued at 14.5 Billion Rubles"]

[FBIS Translated Text] This price (to be absolutely precise, 14,437,500,000 rubles [R]) was named by the Russian Federation Central Electoral Commission by converting 250 times the minimum wage into real monetary terms. This was precisely the maximum sum of a candidate's election campaign expenditure that was fixed by the Federal Law "On the Election of the Russian Federation President."

Russian presidential election candidates must set up their own election funds to accumulate monetary resources. Candidates will obtain the right to open a special temporary account to set up such a fund only after official registration at the Central Electoral Commission.

Election funds can be raised from four sources: Central Electoral Commission funds, the presidential candidate's own funds, money from the voters' associations and action groups which nominated the candidate, and voluntary donations from physical and legal persons.

The maximum limit of these receipts is clearly set for each category. A Russian presidential candidate can spend no more than R57.75 million out of his own pocket. On nominating its candidate for the highest state post each action group is allowed to spend R2.8875 billion on election campaigning. A separate legal person can invest R288.75 million in its idol. Any Russian citizen can fork out R2.8875 million for this purpose.

But the Central Electoral Commission's share has not yet been set. First, T. Petronavichyus, chief of the Central Electoral Commission Financial Control Administration, explained to IZVESTIYA that it will be set only after the number of candidates is known. Second, the Central Electoral Commission's entire budget of R1.8 trillion has not yet been broken down into quarters. The Duma has still to do this. Anyway, this assistance grant will be insignificant — around 7-8 percent of a candidate's total expenditure.

The Central Electoral Commission is setting a number of strict limits on sources which can be used to raise election funds. Thus, donations from foreigners, stateless persons, international organizations and international public movements, military units, charitable organizations, religious associations, local self-government organs, state and municipal enterprises, institutions, and so on will be prohibited. Candidates will have to transfer anonymous donations into federal budget revenue. Transfers into foreign currency are also strictly prohibited.

The following provision could be considered an important innovation incorporated into the Central Electoral Commission's instruction: If a candidate for the post of Russian Federation president withdraws his candidacy in the absence of circumstances compelling him to do so, the Central Electoral Commission can charge him for the relevant part of expenditure borne by it in holding the election. I think this will to some extent reduce the number of people who want to participate in the 1996 presidential race purely for "sporting interest" at the taxpayer's expense.

There is another interesting detail concerning the upcoming election. The maximum sum of expenditure on election campaigning has been set with a repeat election in mind. This means that the presidential election candidates who reach the second round of the election but who have spent all their money in the preceding round could experience campaign starvation. Here the more economical and assiduous candidate will win.

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Russia: Work on Yeltsin's Presidental Address 'In Full Swing'

LD0502205996 Moscow INTERFAX in English 1757 GMT 5 Feb 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Sergey Medvedev, spokesman for President Boris Yeltsin, told INTERFAX on Monday that work was now in full swing over the text of an annual presidential address to parliament.

He said it involved more authors than in previous years with experts, politicians and public representatives taking part apart from the Kremlin staff.

Special working groups were set up to elaborate separate sections of the message, the spokesman said.

IF NOTE: The transport ministry has already drawn up its part of the Yeltsin address headed "National Transport Policy." Transport Minister Nikolay Tsakh is convinced that the message could form the basis of constructive engagement between the center and regions for security a stable performance by the country's transport system. He told reporters that the paper could be of great political significance in the run up to the presidential election given the public's keen interest in better transport and safer commuting.

It is now known that this year's paper will be more critical than those drawn up before.

No date has yet been fixed when the president will address the State Duma though this can be expected at the end of this month. In the meantime, many are certain that Yeltsin will announce before then whether or not he will seek to be re-elected for the second term.

Kabardino-Balkaria President Valeriy Kokov believes Yeltsin has all the reasons to run for the second term.

To make his case, Kokov described the president as being the man who pushed forward reforms, prevented the country's disintegration, ensured the adoption of the new constitution and was capable of leading Russia to democracy. He said Yeltsin had therefore all the grounds to seek re-election.

For his part, leader of the Democratic Choice of Russia party (DVR) Yegor Gaydar said Saturday Yeltsin's refusal to run for the second term would be an extremely sensible move that could "help us ease the task of preventing the Communists from staging a comeback."

The DVR leader said Yeltsin was well aware of his view on this question.

In an interview with INTERFAX Gaydar said the next two or three weeks would make it clear whether it would be possible to set up a broad pro-democracy alliance which could unveil a common program and field a common candidate for the presidential poll in June. He said the party was holding talks with other pro-democracy groups including the Yabloko movement on the nomination of a common candidate.

IF NOTE: The DVR federal council has called for the immediate formation of a reformist alliance to be able to field a common presidential candidate. In a statement over the weekend, the DVR stressed that the would be alliance could include political movements of "the broadest possible spectrum. Among them — Yabloko, DVR, the Democratic Russia movement, the Republican party, Forward Russia and Russia is Our Home movements, the Party of Workers Self-Management and the Party of Economic Freedom. DVR believes the most popular leader capable of challenging the Communists who seek to stage a comeback must be named as a common presidential candidate. As a priority, the new alliance must seek to achieve internal stability and prevent the Yeltsin regime from slipping towards dictatorship, says the statement.

Asked if DVR might change its attitude to Yeltsin if he steers the policy of a negotiated settlement to the conflict in Chechnya, Gaydar said "our position" on the coming poll would largely depend on the president's behavior.

In the meantime, leaders of the Union of Communist Parties-CPSU issued a statement in Moscow saying that the election victory by a common presidential candidate by pro-communist, patriotic and other left-wing groups would help lead Russia out of its disastrous plight without any violence or civil war. The authors of the statement called the public to support a resolution by the central committee of the Russian Communist party naming its leader Gennady Zyuganov as a common presidential candidate.

The nomination of a common candidate, it runs, can help rally opposition forces in its campaign for power and against "the destructive policy of the ruling circles."

Russia: Presidential Nominee Fedorov Details Platform

LD0502201396 Moscow ITAR-TASS in English 1649 GMT 5 Feb 96

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, February 5 (ITAR-TASS) — Svyatoslav Fedorov, the leader of the party "Workers' self-government" who was nominated for president the other day told a press conference here today that his election platform rests on "principles of

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paternalism, social partnership and self-government of the working people."

Fedorov, a prominent eye surgeon and the leader of the inter-sectoral scientific and technical complex "Microsurgery of the Eye," was recently elected to the State Duma lower house of parliament. He is a believer in "Russia's exceptional way of life organisation and development," which is "neither capitalism nor bureaucratic socialism." He thinks Russia will follow "a third way, that of a popular social society with man and his worthy life in the focus."

Asked about his possible allies in the elections, Fedorov said he was negotiating with the Democratic party of Russia and the Stanislav Govorukhin alliance. Fedorov did not rule out the possibility of winning the support of those in the Communist party of the Russian Federation who "share the views of the young Marx." He said his supporters included specifically such politicians as Sergey Glazyev, one of the leaders of the Congress of Russian communities, Stanislav Govorukhin and ex-chairman of the Constitutional Court of the Russian Federation Valeriy Zorkin.

One of the organisers of Svyatoslav Fedorov's election campaign, ex-executive secretary of the Russian parliament's Constitutional commission Oleg Rumyantsev, told ITAR-TASS that in his view Fedorov could become "the single candidate of all the left-of-centre forces of Russia."

In the December elections to the State Duma, Svyatoslav Fedorov's party won a mere four percent of the votes — about three million people cast their ballots in its favour. The party failed to clear the 5-percent hurdle and win a single seat in the parliament for its candidates.

Russia: Nizhniy Novgorod Head Nominated for President

LD0502221496 Moscow INTERFAX in English 1909 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — Governer of the Nizhniy Novgorod region Boris Nemtsov, 36, has been nominated for the Russian presidency in Moscow.

At a meeting attended by 126 people Monday night, his nomination for presidency was approved in a 115-2 vote with nine abstentions. At least 100 people must attend such meetings.

Nemtsov has not made any official statement about running for the presidency. Presidential elections are scheduled for June 16.

Nemtsov did not know about the meeting, according to Tamara Orlova, a currently unemployed researcher.

Nemtsov's supporters at the meeting said that reform was more successful in his region than elsewhere in Russia and that one million signatures were collected in the region in support of his call to end the war in Chechnya.

Russia: Federation Council Speaker Backs Presidential Rule

LD0502172996 Moscow NTV in Russian 1800 GMT 4 Feb 96

[Interview with Yegor Semenovich Stroyev, chairman of the Russian Federation Council, by correspondent Aleksandr Shashkov; place and date not given — live or recorded]

[FBIS Translated Excerpt] [Shashkov] Yegor Semenovich, this week your colleagues from Nizhniy Novgorod Region began a somewhat unusual initiative, namely the 1 million signatures collected in favor of ending the war in Chechnya. Do you think your Orel Region will do the same? How many people will put their signatures to a petition like that?

[Stroyev] If a call went out to collect signatures today, I think the whole of Russia would sign a petition to end the war! Because people everywhere, not just in Orel Region, though there in particular, do not want this war. Furthermore, there are other aspects to this initiative. The regions have a growing role in resolving interethnic conflicts. Our state is a federative one. Our state is a multi-ethnic one. And we will get nowhere unless the regions themselves start to tackle these issues, unless the local bodies of power start tackling these issues, then the federal bodies cannot solve such difficult issues. [passage omitted]

[Shashkov] Many people say that since the operation in Pervomayskoye, people have virtually lost all faith in the central authorities and that all power in the country rests chiefly with the prestige of regional leaders. Do you agree with that point of view?

[Stroyev] Well, I would never put it as bluntly as that. It is another matter that in the current situation, with the Federation Council being formed from regional elites, as it is the custom to call them, the role of the regions is growing considerably. But I am categorically against setting off the federal authorities against the regional authorities. On the contrary, it is our task, perhaps the most vital one, to preserve a single, indivisible Russia and to promote the building of a federative state, in reality, in line with the Constitution and with life as it is unfolding today.

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[Shashkov] The State Duma is currently drawing up amendments to the Constitution in accordance with which the lower house will ratify not only the prime minister, but also virtually all the key government posts. How does the Federation Council regard this?

[Stroyev] The question has not yet come up. There are calls to replace not only this article of the Constitution, but there are suggestions for changing even presidential rule to a parliamentary republic. If you ask people in the Federation Council, and me personally, my answer will be that I think Russia has always been strong by virtue of its unified power. And the form of presidential rule is not a matter of some sort of individual wish. It is today an objective necessity to have a leader in the country to rule the state. I will support only this direction.

[Shashkov] Thank you.

Russia: Former Aide Burbulis Views Presidential Race

LD0502100496 Moscow NTV in Russian 1635 GMT 2 Feb 96

[Studio interview with Gennadiy Burbulis, head of the Strategy Foundation and former Yeltsin advisor, by moderator Leonid Parfenov; date not given; from the "Hero of the Day" program — live or recorded]

[FBIS Summary] During a 20-minute interview, Gennadiy Burbulis, who in a recent acticle for the journal ARGUMENTY I FAKTY indicates that he backs Viktor Chernomyrdin for president, refuses to state firmly whether he thinks Chernomyrdin should run in the June 1996 elections. Burbulis does say that Boris Yeltsin should not serve a further term, having played his role in Russia's history. Were Yeltsin to declare that he will not stand, that he has achieved a great deal but that mistakes have been made, that there is potential for the mistakes to be corrected if the last remaining months of his presidency were to be used to unite all healthy forces in the country — this would cut the ground beneath the feet of the communist flank and instantly resolve the problem of the succession.

Asked by moderator Leonid Parfenov about the political chances of Vladimir Zhirinovskiy, Burbulis says Zhirinovskiy is now maneuvering on the political scene, operating in tandem with other parties. Gennadiy Zyuganov, Burbulis says, has to beware of frightening people with the prospect of communist revanchism. Grigoriy Yavlinskiy has exceptional talent, but has few prospects for reaching the presidency and should take a more realistic view of both himself and the country.

Burbulis calls for a roundtable conference of democratic forces to unite society and enlist support among the electorate. He believes the scenario in June will most likely be a run-off between Yeltsin and Zyuganov. Asked if he will be returning to the political stage, Burbulis says: "I never left politics. There is the politics of office, there is the politics of conviction and vocation. I regard myself as a professional politician. It is another matter that office allows one to implement one's convictions in a more visible and audible fashion, so to speak; but not to be in office is by no means a catastrophe for a man who bears responsibility both for what he has managed to do and for what is happening in the country today and has to come about tomorrow."

Russia: Elections Considered Impetus To End Chechen War

LD0502173396 Moscow ITAR-TASS in English 1622 GMT 5 Feb 96

[By Tamara Zamyatina]

[FBIS Transcribed Text] MOSCOW, February 5 (ITAR-TASS) — The coming presidential elections in Russia are now seen as a powerful factor capable of putting an end to the war in Chechnya.

The leader of the State Duma group of the movement "Our Home is Russia," Sergey Belyayev said in unveiling his initiative for the resumption of talks in Groznyy that "the presidential elections will be won by that candidate nominated by the executive who puts an end to the war."

Chechen combatant Salman Raduyev had made an accurate assessment of the situation when planning his terrorist operation in Kizlyar and Pervomayskoye: he had timed it to coincide with the start of the election campaign in Russia.

The federal armed operation to free the hostages was closely followed by peace initiatives voiced by ranking politicians and statements about the coming withdrawal of the federal troops from the rebellious republic.

It is not fully preposterous to surmise that the Russian President could have earlier given the governor of Nizhniy Novgorod a go-ahead to collect one million signatures under a call for an end to the war (otherwise the head of state would have found an excuse to cancel the pre-arranged encounter with Governor Boris Nemtsov).

As for Sergey Belyayev, he made no secret of the fact that his peace initiative had been agreed with the head of state. He let slip that "Boris Yeltsin will soon specify his plan for a peaceful settlement of the Chechen crisis," which means that the leader of the faction "Our Home is Russia" voiced in his call for talks with the Chechen

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rebels what can be called a preamble to the President's own peace initiative.

That the presidential analysts have worked in concert to prepare the public opinion for the settlement of the Chechen crisis is also made clear by the statements voiced last Friday by leader of the Chechen republic Doku Zavgayev and commander of the federal forces in Chechnya General Vyacheslav Tikhomirov. Both spoke on the same day to announce that the federal troops would soon be withdrawn from certain population centres.

All this adds up to a simple conclusion — the million signatures collected by Boris Nemtsov, the peace initiative voiced by Sergey Belyayev, and the statements made by Doku Zavgayev and Vyacheslav Tikhomirov must have resulted from the efforts made by the President's aides who are now working on the text of the President's annual message to the Federal Assembly (parliament) of the Russian Federation, a text that can incorporate the President's historic address saying he has decided to do the will of the people and put an end to the bloodshed.

Russia: Five Public Figures Quit Human Rights Commission

LD0602075496 Moscow Radiostantsiya Ekho Moskvy in Russian 0700 GMT 6 Feb 96

[FBIS Translated Text] Another five of the country's well-known public figures have quit the president's Human Rights Commission. These are the human rights defenders [Mikhail] Arutyunov, [Vyacheslav] Bakhmin, [Mikhail] Molotsov, [Sergey] Sirotkin, and also [Igor] Golembiovskiy, editor in chief of IZVESTIYA.

This is how they are expressing their protest against the latest actions of the authorities.

Russia: Human Rights Commission Reports Violations

LD0502215296 Moscow Radio Rossii Network in Russian 1900 GMT 5 Feb 96

[FBIS Translated Text] Chechnya was discussed today at a meeting of the Human Rights Commission under the president. The commission has heard a report on the observation of human rights and the rights of citizens in Russia. In addition, four people tendered their resignation from the commission. They informed Boris Yeltsin about it in writing. A news conference was held at the end of the meeting. Our correspondent Yekaterina Vysokovskaya was there. Over to her.

[Vysokovskaya] The human rights situation in Russia has been extremely unsatisfactory over the past two years. That is the main conclusion of the commission. Sergey Kovalev who, I will remind you, has recently been dismissed as chairman of the commission by a presidential decree, explained: Generally one can feel the primacy of political expediency over the fundamental principles of citizens' rights and their interests of security.

Among the alarming trends noted in the report, the ones attracting attention are the following: The strengthening of militarization of society. This is evident from the proliferation of power-wielding structures, the functions of which have not been clearly defined, and the expansion of activities of the special services with no civilian control over them, and with the amount of budget money spent to maintain their secrecy. There is escalation in the use of force in tackling internal problems. This problem was heightened in Chechnya.

The problem of ethnic intolerance has become more acute. Fascist ideas are being spread freely. Extremist organization with their militarized structures and publications are active. The growth of forced emigration is continuing, above all, in connection with the internal armed conflicts. While there is no balanced policy on migration, the rights of refugees are being effectively unobserved. Instances of human rights violations in the sphere of criminal justice is growing. According to the commission, in 1994 over 20,000 staff of the Interior Ministry's departments were punished for breaking the law while conducting an investigation, including for illegal detention, the use of violence against suspects, and the falsification of case materials. In its report the commission is expressing alarm over the negative phenomena which, in the view of the authors, can no longer be justified either by economic causes or by difficulties of the transitional period.

Russia: Primakov's Achievements in Ukraine Viewed

LD0502160996 Moscow NTV in Russian 1800 GMT 4 Feb 96

[By Aleksandr Shashkov; from the "Itogi" program]

[FBIS Translated Text] [Shashkov] It is curious that the new conflict in Tajikistan began almost immediately after the departure of the Russian delegation headed by Yevgeniy Primakov, new minister of foreign affairs, who chose that republic for his first foreign visit. As if to stress the priority of the new leadership of the Russian Foreign Ministry, Yevgeniy Primakov set off for Kiev and Minsk from Dushanbe. Will there be changes is Moscow's relations with these republics? Our own correspondent reports on that.

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[Vladimir Skachko] Kiev newspapers immediately christened the results of the visit by Yevgeniy Primakov, minister of foreign affairs of the Russian Federation, as another breakthrough in bilateral relations. However, the next day they added that this round of meetings had failed to yield any results after new reports came in from Russia on the main achievements of the visit. First, doubt was cast upon its main result — the precise date for the visit by Boris Yeltsin that the Russian minister had announced.

Second, the sides demonstrated only before correspondents unanimity on the fate of the new political treaty on friendship, partnership, and cooperation between Ukraine and Russia. The ministers agreed that the Russian claims that the treaty had been agreed upon and the Ukrainian claims that it had been initialed was how the same word had been translated into both languages. The Ukrainian prime minister does not reject the possibility that the document's clauses may be reviewed.

Finally, the problem of the Black Sea Fleet remained unresolved. Kiev is convinced that this problem, with the assent of both presidents, cannot hinder the long-awaited signing of a major treaty. The Moscow guest said the opposite and information from the Russian capital confirms that he was right. Ukrainian Prime Minister Marchuk, head of the Ukrainian delegation at the talks on the fleet, is convinced that a compromise is possible. If the talks on the fleet are stepped up, it may be possible to divide the fleet before April.

[Begin Marchuk recording in Ukrainian fading into Russian translation] If the situation surrounding the Black Sea Fleet continues to develop as it is now, that is possible. They have not got around to the most complex and disputed problem — Sevastopol and its base — in such detail yet. There is fundamental progress there, also. [end recording]

[Skachko] A revision of the agreements reached in Kiev the following day only confirmed the growing doubt over the aim of the visit. It was most likely necessary as a political demonstration of unanimity of views and of the revival of former fraternity, albeit within the framework of the present CIS. Not only does official Moscow need such a political victory on the eve of the presidential elections, but so does official Kiev, which is not going through the best of times just now. Ukraine is gripped by miners' strikes. The red Donbass, which has fallen under the influence of left-wing forces, may unequivocally demand the resignation of President Leonid Kuchma as the main party responsible for the worsening of people's material position as a result of the implementation of reforms and the rupture of traditional economic ties with Russia and other CIS states. Western Ukraine and its politicians are demanding the opposite. Galicia openly fears that the Russian upper echelons will grow more left wing and that their patriotic forces will grow stronger. The ultranationalists are even ready to greet Boris Yeltsin with obstructions in Kiev. [sentence as heard] In other words, there is not only an economic crisis against the background of the impoverishment of the majority of citizens and the slowing down of reforms, but political disintegration is also growing stronger. Official Kiev simply does not have the right to ignore that and it will not. That is why the future visit by Boris Yeltsin to Ukraine is so important for Kiev, as is his desire either for mutually beneficial compromise — equally reassuring to both the Ukrainian and the Russian public — or for political victory at any price.

Russia: Careers of Foreign Ministry Promotees Outlined

MM0502154196 Moscow IZVESTIYA in Russian 6 Feb 96 p 3

[Report by Maksim Yusin: "Yevgeniy Primakov Starts Creating His Own Team"]

[FBIS Translated Text] On Saturday President Yeltsin made two new appointments to the Foreign Ministry leadership by presidential edict. Boris Pastukhov became Yevgeniy Primakov's first deputy (having formerly been just deputy). And Yuriy Zubakov, who had worked with Yevgeniy Maksimovich at the Foreign Intelligence Service [SVR], was confirmed as deputy minister.

These are the first major personnel changes since Primakov arrived at Smolensk Square. There is no doubt that the new minister has started shaping his own team. The promotion of the 63-year-old Boris Pastukhov will hardly gratify the young diplomats of the "Kozyrev school." Primakov is clearly demonstrating a desire to rely on the "old guard."

Pastukhov's career has been mainly in the All-Union Lenin Communist Youth League [Komsomol] Central Committee. From 1962 to 1964 he was first secretary of the Moscow Komsomol City Committee, he then worked for 13 years as secretary of the Komsomol Central Committee, and, finally — from 1977 to 1982 — as the country's "chief Komsomol member" (first secretary of the Komsomol Central Committee). In 1982 Pastukhov became chairman of the USSR State Committee for Publishing Houses, Printing Plants, and the Book Trade, and left for diplomatic work four years later.

For six years he was ambassador in Denmark and Afghanistan, and in 1992, following the closure of

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the Russian Embassy in Kabul, was appointed Andrey Kozyrev's deputy. Pastukhov's main sphere of activity in the Russian Federation was the "hot spots" in the former USSR republics — primarily the Georgia-Abkhazia conflict.

Pastukhov's promotion can be seen as further confirmation of Yevgeniy Primakov's intention to make relations with the CIS states the priority for Foreign Ministry activity. On the morning of 5 February the new first deputy minister stated in an INTERFAX interview that he would be dealing with "all conflicts without exception" on Commonwealth territory.

Considerably less is known about the career of 53-year-old Rear Admiral Yuriy Zubakov. The short biographic details distributed by ITAR-TASS mention only that in 1991 Zubakov was appointed deputy director of the USSR Central Intelligence Service, which was transformed into Russia's SVR after the collapse of the Union.

The people IZVESTIYA spoke to at Smolensk Square are wrapped up in speculation about what the new deputy minister will be doing. According to one theory, he will be put in charge of personnel policy. In that event, one other deputy minister — Vasiliy Sidorov, who was made responsible for personnel matters at the end of last year following Boris Yeltsin's controversial statement about the need to strengthen the ministry's staff — could find himself out of a job.

Russia: Yabloko Leader Discusses Cooperation With CPRF

MM0502093596 Moscow PRAVDA-5 in Russian 2-9 Feb 96 p 2

[Interview with Vyacheslav Igrunov, one of the leaders of the "Yabloko" faction, by Olga Koroleva; place and date not given: "'Yabloko' and the CPRF: Was There a Compact?"]

[FBIS Translated Text] Following the election of the speaker and other key figures in the parliament, a report did the rounds of the mass media, which was "confirmed" by the president, about an alliance between the "Yabloko" faction and the CPRF [Communist Party of the Russian Federation]. And although in a television interview Grigoriy Yavlinskiy hastened to repudiate any alliance with the Communists, many people did not believe him, saying: There is no smoke without a fire.

So was there a compact? And on what are the rumors based? Vyacheslav Igrunov, one of the leaders of the "Yabloko" faction, answered these questions in an interview he gave to our correspondent Olga Koroleva.

[Koroleva] So, Vyacheslav Vladimirovich, was there in fact a compact between "Yabloko" and the Communists in the division of "seats" in the State Duma?

[Igrunov] This is rubbish, there has not been any "compact," although there could have been one. It is true that some of the deputies, about 20 people, were, like myself, insisting on talks with the Communists. I was not present at the faction's meeting, and I could not influence the adoption of this decision. And although, I repeat, there are no grounds for the charge that "Yabloko" is in an alliance with the Communists, nevertheless the result of the refusal to cooperate will most likely be negative for "Yabloko."

[Koroleva] So what is "Yabloko" losing, in your opinion?

[Igrunov] If we had reached agreement with the Communists, we would have been able to more effectively influence the work of the parliament and ultimately the country's economic development.

If we had put forward our conditions (and the Communists were prepared to accept them), then I think that there would not have been a second Communist in the presidium. Furthermore, we could have insisted on a decrease in the number of useless posts (deputy chairmen), but on the other hand we could have controlled a larger number of committees.

"Yabloko" gave up this step, demonstrating how uncompromising and at the same time short-sighted it is (personally I do not approve of the appointment of Goryacheva as vice speaker and the duplication of the tasks of the CPRF in the presidium), but nevertheless, we should not have given up on that kind of post.

I would recall that in Germany the small parliamentary faction of the free democrats sometimes forms alliances with other major parties and because of this predetermines the country's political development. And no one is accusing it of plotting.

Today the "Yabloko" faction has found itself in this role, but it was afraid of the accusations of Zhirinovskiy and others. At the same time, the present criminal authorities have decided to collaborate with the marginal LDPR [Liberal Democratic Party of Russia]. We should not have given way to these two forces, which are destructive for Russia, we should have calmly compromised for the sake of strengthening our influence in the parliament. Unfortunately we have turned out to be politicians without political realities. There is no going back.

[Koroleva] Will your faction continue to shun the Communists, or are some forms of cooperation possible in the future?

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[Igrunov] I cannot answer for the whole faction, a great deal depends on whether Yavlinskiy sticks to his inflexible stance or not. Of course we have our program and our aims. "Yabloko" is the only democratic faction with a clearly defined policy. But in order to achieve the set aims, we have to make contact with other political forces. We are even obliged to do this. What is the point of demonstrating your principled political stance without achieving any changes in people's lives?

We coincide with the Communists in certain areas: We want to redistribute powers between the legislative and executive branches of power, we are interested in democratic guarantees. We have a common attitude — one of opposition — to the monopolist bourgeois-state apparatus hybrid, which is wielding absolute power.

The CPRF faction must not be ignored for another reason too — one-third of the votes in the parliament belong to it. It is possible to discuss a number of projects and spheres in the country's development with Zyuganov who, to my mind, is moving toward social-democracy. But there are questions on which we will never agree — economic questions.

Furthermore, the Communists want to reestablish the USSR, whereas we believe that this is unrealistic. We are in favor of integration within the framework of the CIS, we are in favor of economic and political ties.

So the Communists cannot be considered to be our firm allies. But I feel less hostility for them than for other factions, such as Russia Is Our Home and LDPR.

[Koroleva] We know that your faction is collecting signatures in favor of raising the issue of the dismissal of the government. Maybe this act will help you to get closer to the Communists?

[Igrunov] The Communists have not yet supported our initiative, they evidently do not deem it expedient to talk about replacing the government at the moment. Although it is worth thinking about it: How much harm this government can do in the remaining six months!

Russia: Yavlinskiy Interviewed on Economics, Election

MK0102074096 Moscow MOSKOVSKIYE NOVOSTI in Russian
No. 4, 28 Jan-4 Feb 96 (Signed to press 29 Jan 96) p 8

[Interview with Grigoriy Yavlinskiy by Viktor Loshak, MOSKOVSKIYE NOVOSTI chief editor: "'Yabloko' Is Gathering a Coalition" — place and date not given]

[FBIS Translated Text] [Loshak] You have recently been put in a paradoxical situation. On the one hand, you continue to be unloved by the party of power and Yeltsin, who has already talked openly about this. On the other hand, a number of democratic politicians have also broken with you and have declared this publicly, too. At the same time, the latter are in opposition to the president as well.

[Yavlinskiy] As for "a number of democratic politicians," this is an exaggeration in the sense that this is precisely **a number** of them, and they have not broken with us, because they never joined us. The complexity of the situation lies in the fact that those democrats who failed in the election are in deep crisis, and this is a very serious circumstance. This crisis is due to the fact that, in the long run, all of them have bet on Boris Nikolayevich Yeltsin.

Boris Nikolayevich's grievances against us for supporting the Communists are, in fact, grievances against the results of the 17 December Duma elections. What has happened in the State Duma has nothing to do with these charges: In reality, we voted for Vladimir Lukin, and all of our votes were such. When it came to the second round, with two contenders left — both of whom were unsuitable for us — we did not take part in the vote at all and even took no ballots. True, the Communists have realized their potential, but as a result of the 1995 parliamentary election, they have about 200 seats in the Duma, have they not? What, then, has so surprised the president as regards the voting results?

Moreover, we have proposed any other solution to the so-called party of power. We told them: We cannot understand why Lukin is not suitable for you, but even if he is, let us vote for Gonchar. Then we shall support you. There was, however, an absolute nonacceptance of any other proposal, although they knew that we would not agree to Rybkin's candidacy. The most interesting thing happened virtually a few days later, when Boris Nikolayevich appointed Stroyev, who is closely affiliated with the Communists, chairman of the Federation Council. Yeltsin's exclamation: "That's the limit!" addressed to us, can now well be returned to him. After all, unlike Stroyev, Seleznev won because the Communists voted for him; they amassed all the votes they could and received 233 votes at the expense of the Agrarians and their affiliated factions....

[Loshak] Why could you not vote for Rybkin?

[Yavlinskiy] This is quite obvious. I would think that democratic forces cannot vote for Ivan Petrovich [Rybkin]. He is a capable person, even a very capable one. There were, however, at least two serious reasons which prevented us from supporting him. The first reason is that when the Chechen war started, it was he who blocked the Duma's work, joined the [presidential] Security Council, and entirely merged with those who

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organized this military adventure. The second reason is that he received 1 percent of the votes in the election. This happened after his being in office for two years. Rybkin was a prominent figure, but the voters showed their assessment of him, and it would have been entirely improper to run counter this fact.

[Loshak] So, in brief, having to choose between Rybkin and Seleznev, representing the Communists, you have decided against voting for Rybkin, have you not?

[Yavlinskiy] We could not vote for Rybkin because Rybkin is as unsuitable for us as Seleznev is.

[Loshak] Does it not seem to you that the myth about your support of the Communists is particularly due not so much to voting collisions over Seleznev as to the fact that Seleznev himself uses every opportunity to praise "Yabloko"?

[Yavlinskiy] These are specific tactics employed by the Communist Party; it has adhered to this policy throughout the election campaign. This is its policy. The Communists have made a shrewd move — not to reprove those who are popular, not to scare people by that. We, however, fully realize what is behind this. We are democrats. We are fighting, above all, against the reasons underlying the popularity of communism in Russia, we are fighting poverty. You see, we are fighting "for," rather than "against." This is our principled stand. "Anti" has a connotation for me only as an anti-fascist. I am "anti" only in that sense. In this respect, the merger of Zhirinovskiy with "Russia Is Our Home" [NDR] is a much more dangerous event than you think. By voting this and no other way, "Yabloko" believed that its primary task, among others, was to demonstrate this alliance to society. Otherwise, the threat of this union would still not be evident.

[Loshak] Nevertheless, millions of people who voted for "Yabloko" are anti-communists....

[Yavlinskiy] This is quite understandable. There are virtually no program objectives shared by us and the Communist Party of the Russian Federation! The program of the Communists is **absolutely unacceptable** to us. Our voters realize that we would do everything in order not to let the Communists take power in this country again. Russia does not need such a wild utopia for the second time. This could lead to very grave consequences.

The victory of Seleznev came on 17 December, rather than during the ballot in the Duma. It is the country's economic and domestic policy that has brought the Communists to victory. Some democrats feel exhilarated by the successes of economic policy, but can it be called a success if the "fine figures" result in bringing to power people who are not only against such an economic policy, but, in general, are for changing the political system?

[Loshak] It follows, then, that the authorities are drawing the correct conclusions. Chubays has been dismissed and there are staff changes throughout the entire economic hierarchy.

[Yavlinskiy] Chubays has been dismissed, but Yegorov has been invited — this is important. The boorishness with which this dismissal was effected is regarded as the acme of the political art — not simply to dismiss Chubays, but also to add that the election was lost because of him. After all, it was correctly observed that the number of votes would have been even greater if not for Chernomyrdin, whereas without Yeltsin a complete victory could have probably been gained. Chubays' dismissal alone does not say much. On the other hand, a lot is signified by who is being brought to power.

[Loshak] Kadannikov has replaced Chubays.

[Yavlinskiy] A "Soviet-type" government seems to be being created.

[Loshak] What are your relations with Yegor Gaydar like after the election? Many people noted that during the election you did not criticize Yegor Timurovich [Gaydar], trying to take your relations kind of outside the framework of the election campaign. Now the situation has changed. You are in the parliament, whereas he is not. Apparently it is time to form a union. Judging by the television programs, however, he again refuses to trust "Yabloko."

[Yavlinskiy] As a matter of fact, Gaydar's television speech was productive, although he called us communists and said that we have a communist program and that we are imperialists. Then he said something funny, suggesting that we received committees in the Duma from the hands of the Communists. (Incidentally, why has the NDR received committees on privatization and defense and, in addition, the post of first deputy speaker? Was it because they loved the Communists too?)

Gaydar has invited us for a dialogue in such a peculiar manner. We have said earlier and wish to repeat that we are ready to discuss any issue, above all questions related to the program. He could have chosen a less exotic form of inviting us for a dialogue, but there is nothing doing.... We are ready to explain our program as many times as required.

In the long run, its essence is to advance reforms while retaining a democratic political system. We are mainly concerned over the fact that the approach to economic

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policy chosen by Yegor Timurovich [Gaydar] and pursued by Chernomyrdin has led to serious political failures. This is no Poland, no Eastern Europe, and the advent of communist forces to power is a completely different story here. Therefore, a problem arises: How good is an economic program which leads to a change in the political system? There is a policy of economic stabilization, and there is a policy of economic growth. We represent the trend calling for an accurate and careful pursuit of a policy of economic growth, since we believe that it is no longer possible to pursue the former policy for such a long time and with such questionable results. There will be no need then for Boris Nikolayevich and Yegor Timurovich to investigate judiciously who has after all elected Seleznev.

[Loshak] I think that it is exclusively reporters and political scientists who are giving the present authorities the image of being shrewd, farsighted, refined, and wise.

[Yavlinskiy] Without any doubt. Moreover, while doing so, they emulate what is happening in the West. This has very little to do with the actual reality.

[Loshak] There are probably two foundations on which the entire present policy of the authorities rests. These are an intellectual primitivism and highly-developed personal interest.

[Yavlinskiy] There is also a third one, the most important of all. I mean the preservation of all Soviet monopolies and the retention of a monopoly-based mode of organizing the economy, with its main sectors seized by certain powerful groups.

Economic science says that a monopoly in a competitive environment is harmful, since it impairs quality and raises prices. As for the fight between different groups for monopoly rights, it inflicts economic damage that is simply unimaginable. From 1991 until the present, there has been a frenzied fight for commanding positions in the main economic monopolies. It is not the wrecking of monopolies, but the fight for them that is essential. Monopolies as such are harmful, but the fight for taking hold of them is incommensurably more harmful. It is this factor that largely underlies political clashes at the top. The monopoly of the arms trade and production. The fight to have a monopoly in the fuel and energy sector. There are also other, hidden monopolies.

[Loshak] These monopolies, however, go up to converge in the Kremlin.

[Yavlinskiy] One branch goes to the Kremlin and the other goes to the [Russian] White House. This is the greatest problem. Once analytical reporters suggested that the monopoly in the fuel and energy sector, although harmful, is nevertheless more innocuous than a monopoly in arms trade — so let us support its representatives among the authorities. I believe there is no difference between them, and when the two monopolies form a merger, this will become the basis for a quite different political regime. For the time being, however, the authorities are busy dividing the commanding heights in the economic monopolies.

[Loshak] How will the onset of parliamentary work be affected by the presidential race, overlapping it in time?

[Yavlinskiy] We have started to collect signatures for a vote of no-confidence in the government. The reason is the events in Kizlyar. The Communists have refused to participate in this undertaking. We have collected 50 signatures, which include our entire faction and several independent deputies (incidentally, as regards key issues, we are seeking mutual understanding; for instance, when the voting on the speaker was held, as far as I know, we were supported by Sergey Kovalev, who voted in line with us). The Communists, however, are for having the status quo maintained. Here is a topic for reflection. They regard retention of the present government as the best way to prepare for the presidential election.

[Loshak] You in the capacity of premier under the president — say, under Yeltsin — is a new topic in some recent political forecasts. Do you envision such a turn of events?

[Yavlinskiy] Such a forecast, however strange it might seem, should not be considered in terms of a personality. Its implications are practical. At issue here is what kind of policy in fact should be pursued. If tomorrow Yeltsin stops the war in Chechnya and says firmly and plainly that we shall continue the policy of reforms, make the rights of a proprietor distinct and clear, carry out agrarian reform, restore order in the army, and pursue a definite, clear-cut, and comprehensible foreign policy — and all this will be not merely in words but immediately followed by practical deeds resulting in a change of personalities — then this will certainly be a realistic topic for discussion.

[Loshak] Paradoxically, some active voters reckon that you are given no chance for self-realization in actual management, but, on the other hand, they have grievances against you for being in opposition and doing nothing, i.e., not being engaged in management. Are there any ideas as to what practical steps are needed if tomorrow, say, you start to deal with the economic management of the country?

[Yavlinskiy] We are being constantly reproached for sheer criticism, although in reality it would be probably difficult to find anyone else coming up with so many

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positive and popularly known programs, beginning with the famous program for the transition to a market economy worked out in 1990. This was followed by the program "Consent for a Chance," which has never been implemented; the program for an economic agreement with former Soviet republics, which will come in useful sooner or later anyway; the Nizhniy Novgorod program of regional reforms; and the program of Moscow privatization.

[Loshak] Do you have the experience of a partnership in working with Luzhkov?

[Yavlinskiy] Several times Luzhkov and I have been on the verge of starting work, but each time he got involved in some complicated collision — first it was the story with "Most" [bank], then with the city prosecutor. Each time, as we were just about to start actual work and the mayor was ready to cooperate productively.... This is a peculiar feature of Moscow.

We could, of course, argue with Luzhkov about certain approaches, but he is a very capable person and most highly reliable, too.

[Loshak] The presidential race is now entering its harshest stage. In any audience, from academic to soldierly, you will be asked this question: What is your plan in the fight against crime and corruption, which are harassing our society so much?

[Yavlinskiy] There is one circumstance which should be given primary importance in this regard. Just note how many glaring crimes — felonies, political, economic ones, etc. — have been committed in the course of the past four years. None of them has been solved. I insist that it is impossible that none of these crimes could be solved. This means that the authorities themselves do not want them to be solved. Therefore, all people who could, more or less successfully and promptly, ensure the solution of these crimes, have no political support. They will be stopped as soon as they approach the roots. Therefore, only power which has nothing to do with the roots of the crimes can raise a question about having the crime stemmed. This is, in fact, the main answer. Only people who do not fear that the exposure of crimes could lead personally to them are able to assure political protection of those who carry out these investigations.

[Loshak] With whom will you cooperate in the presidential election?

[Yavlinskiy] Negotiations are constantly under way. The presidential election is meant to determine the future political system. There are only two options — totalitarian and democratic. We will cooperate with anyone who is indeed standing for the democratic system.

[Loshak] Is there possibly any clarity in this respect now?

[Yavlinskiy] There is no clarity, but very extensive negotiations are under way.

[Loshak] Do you still maintain that "Yabloko" is the only public party?

[Yavlinskiy] Yes, of those represented in the parliament. Whereas the Communists are historically not regarded as a public party, there are no more parties there. As for Zhirinovskiy and ["Russia Is] Our Home", none of them is a party.

[Loshak] Let us suppose that there is a chance that Chernomyrdin is dismissed. What will happen to "Our Home" then?

[Yavlinskiy] It will disappear as a faction and even as a quasi-party. There can be no public party in which the leader is the one who is prime minister!

Such a "party" is called the police or the army. It does not elect its leader; instead, he is appointed by someone. The State Traffic Police [GAI] is such a party. The GAI chief is its commander. This, however, has nothing to do with parties.

In conclusion, Grigoriy Alekseyevich [Yavlinskiy] said: We, however, have no time for a showdown now — let bygones be bygones. It is essential that anything that prevents us from making cool political calculations — compassion, sentimentality, and illusions — be given up. This has already cost millions of votes. This is a lesson to be learned.

Russia: Roles of New, Outgoing Top-Level Officials Viewed

MM0502091296 Moscow ROSSIYSKIYE VESTI in Russian 2 Feb 96 p 1

[Roundup by Feliks Babitskiy: "Down to Work Straight Away"]

[FBIS Translated Text] The main cadre reshuffle at the top has ended. Day-to-day work strengthening the state mechanism has begun.

Nikolay Yegorov, chief of the Russian Federation Presidential Staff: The president has given him a month to reorganize the Staff and bring its structures into line with the status of the supreme coordinating organ of executive authority. He has prepared a number of draft edicts on new cadre appointments and moves. According to Nikolay Yegorov, there are plans to amalgamate components in the Staff. Only six main administrations will

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remain: on questions of constitutional guarantees for citizens, domestic and foreign policy, state law, state service and cadres, program analysis, and control. Nineteen of the 43 independent components will remain. There will be a 20 percent reduction in staff (that is, approximately 500 people). The restructuring in Staraya Square is currently going at such a rate that that it will probably be completed ahead of schedule — next week.

On 26 January Nikolay Dmitriyevich held a session of the presidential Council for Cossack Affairs, which he heads. At the session he summed up the work over the year and approved a new work plan. The next day he chaired a conference on problems of compatriots abroad, which was addressed by Mikhaylov, deputy chairman of the government Commission on Compatriots' Affairs, and Mikitayev, deputy chief of the Staff Administration on Questions of Citizenship (the latter was recently released from the post; no comment as yet).

Sergey Filatov, former head of the Russian Federation Presidential Staff: He took a break in Zheleznovodsk. He deserved it, you will agree. He is now working as deputy chief of the headquarters to prepare for and hold the Russian presidential elections. In his new capacity he published a program analysis article in IZVESTIYA on 27 January entitled "We Must Master the Language of Elections," in which, in particular, he announced the "victory in Russia of democracy and the Constitution."

Vladimir Kadannikov, first vice premier of the Russian Federation Government: In a matter of a week he handed over at the "AvtoVAZ" joint-stock company, and on 31 January he was participating in a session of the government Commission on Financial and Monetary Credit Policy. Clearly, he will inherit the monitoring of the work of this key commission from his predecessor. Analysts are predicting in connection with his appointment to the government stronger state protectionism for domestic commodity producers.

Anatoliy Chubays, former first vice premier of the Russian Federation Government: He is currently expecting to be appointed Russia's representative at the European Union. Anatoliy Borisovich's popularity in the West is in inverse proportion to his popularity at home, so this appointment would benefit Russia. He might persuade the European Union — our country's main trading partner — that our economic course is not undergoing radical changes. The president raised the idea of appointing Mr. Chubays with the State Duma on Wednesday. The chairman of the Duma committee on international policy told correspondents that it had come as a "complete surprise" to him, but he did not have anything to say against Chubays as a candidate.

Yevgeniy Primakov, Russian Federation foreign minister: Arrived 31 January in Kiev, where he met with his Ukrainian colleague Gennadiy Udovenko.

"The purpose of the talks," he said, "is to seek joint solutions to the problems that still exist between our countries." And he added: "We are hoping to succeed."

The Russian minister is also to have meetings with the Ukrainian president, premier, and Supreme Council speaker.

Mr. Primakov's visit was preceded by similar trips to Sofia and Minsk. So Yevgeniy Maksimovich remains true to the first statement he made in his present post, that relations with the countries in the near abroad remain a priority for our foreign policy.

Andrey Kozyrev, former Russian Federation foreign minister: Although now working as a deputy, he has not yet attended any State Duma sittings. News agencies have not expanded on the reasons for his absence. But ROSSIYSKIYE VESTI has no doubt that they are valid. Andrey Vladimirovich is not the kind of figure to "suddenly" vanish from the larger political arena.

Nikolay Tsakh, Russian Federation transport minister: The new minister is devising a blueprint for the reorganization of his ministry. His plan is to create federal transportation services — marine, aircraft, and so on — under the Transport Ministry. The principal task, according to Mr. Tsakh, is to "tidy up air transport" and, in particular, lobby for a corresponding law. The minister issued an order reviving the institution of field inspector. Their numbers have fallen from 3,000 to 119 in recent years. He also promised to carry out a careful audit of all joint-stock airlines.

Vitaliy Yefimov, former Russian Federation transport minister: Not even officials in his ministry know what his new post is, if any, or even the former minister's whereabouts. No hard feelings — we wish Vitaliy Borisovich success in whatever field he chooses.

Russia: Savings Bank To Handle Majority of Treasury Funds

MM0502145396 Moscow IZVESTIYA in Russian 3 Feb 96 p 1

[Report by Yaroslav Shimov: "Budget-Funded Organizations' Money Being Concentrated in Savings Bank. Maybe It Will Not Be Plundered There"]

[FBIS Translated Text] At a session of the government commission for monetary and credit and financial policy it was decided that the Russian Federation Savings Bank will receive the status of general authorized agent for dealing with federal treasury accounts or, to put it more

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simply, with most of the money transferred from the federal treasury for various needs. This was announced Friday [2 February] by former Deputy Finance Minister Andrey Kazmin, who was recently appointed president of the Savings Bank.

However, the institution of "authorized banks," which have received budget money which has then not infrequently disappeared goodness knows where, is not being abolished. As Kazmin stressed, the authorized banks which have properly discharged their obligations will keep their status. But there is no doubt that gradually the lion's share of treasury funds will be concentrated in the Savings Bank, which is actually controlled by the state (the controlling block of Savings Bank shares is in the hands of the Central Bank of the Russian Federation). According to Kazmin the contract between the federal treasury and the Finance Ministry conferring new rights on the Savings Bank will be signed in February.

As regards the federal treasury and its local branches, the decision to grant the Savings Bank additional powers will most likely bring a sigh of relief from them: Lately the treasury's main headache has been the authorized banks' delay in paying money transferred to budget-funded organizations, including for the payment of wages.

Kazmin reported that, contrary to the numerous rumors, the Savings Bank's financial position is more stable than expected. According to preliminary results for 1995 its profits were 3 trillion rubles. The Savings Bank currently holds 68 percent of all Russians' private deposits. Nevertheless Kazmin did not deny that the bank has certain problems, primarily associated with the uniquely widespread nature of the Savings Bank system, which has a total of 33,000 branches throughout Russia.

Military & Nuclear Issues

Russia: Soskovets Suggests Way To Back Defense Complex

MK0302130896 Moscow SEGODNYA in Russian 3 Feb 96 p 2

[Report by Anatoliy Veslo: "Oleg Soskovets Suggests That Defense Industry Should Not Be Blamed"]

[FBIS Translated Text] First Deputy Premier Oleg Soskovets has found another 7 trillion rubles in "additional funds" to support the military-industrial complex, or, more exactly, to finance defense orders. The mine where the money comes from has not been made public yet. The chief of the presidential election headquarters went beyond promises to back the sector with funds. He thinks that one of the measures that can "have a positive effect" on the Russian defense enterprises is to exempt from the payment of penalties and fines those of them which have completed their defense orders. Manufacturers of arms ordered by the state can thus ignore laws and be entitled to using resources without paying for them. Should the system that excludes defense enterprises from the sphere covered by economic legislation be implemented, we can expect Russian producers switching over en masse to military production.

In a bid to avoid piling up nonpayments, the first deputy premier suggested a method of integrated defense orders. Under it, orders should be placed not only with the military-industrial complex but also with the enterprises of other sectors which complete orders for defense products. In theory, the entire Russian economy can be made to work in accordance with this method. A couple of local conflicts would do to unlock limited demand.

Russia: Chairman Pak Submits Draft Armaments Program

MM0502100396 Moscow KRASNAYA ZVEZDA in Russian 3 Feb 96 p 3

[Report by Petr Karapetyan: "Chairman of Russian Federation State Committee for Defense Sectors of Industry Submits Draft of Russia's Armaments Program"]

[FBIS Translated Text] The draft has been elaborated jointly with Russia's Ministry of the Economy and Ministry of Defense according to the principle of reasonable sufficiency needed by the country with due consideration for the prevailing economic situation. Zinoviy Pak, chairman of the State Committee for Defense Sectors of Industry, believes that neither a reliable arming of the Army nor the survival of defense industry enterprises would be possible without this program. He outlined his own views of the defense industry's development during a personal meeting with President Boris Yeltsin.

The implementation of the draft, if it is ratified, has to begin with defining the priority scientific and technical avenues of Russia's defense industry, primarily with support for dual-purpose technologies, Zinoviy Pak believes.

The chairman of the State Committee for Defense Sectors of Industry declared his readiness to resolve the problem of reciprocal settlements and prompt payment for state orders.

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Russia: Communications Ship Joins Mediterranean Carrier

LD0502220396 Moscow ITAR-TASS World Service in Russian 1631 GMT 5 Jan 96

[FBIS Summary] In a 13-line item, ITAR-TASS correspondent Lev Ryabchikov reports from Sevastopol on 5 February that the Russian communications ship 'Kavkaz' (Caucasus — SSV 591 Primorye Class AGI) has left for the Mediterranean Ocean to join the aircraft carrier 'Admiral Kuznetsov'.

Russia: Nuclear Plants Report 9 Emergencies in Jan

LD0202174096 Moscow ITAR-TASS in English 1624 GMT 2 Feb 96

[By Anna Bakina]

[FBIS Transcribed Text] MOSCOW, February 2 (ITAR-TASS) — Power output was decreased on an emergency basis nine times at Russian nuclear power plants in January of 1996.

Output was reduced at four power units to handle malfunctions.

A Russian Atomic Inspection spokesman told ITAR-TASS that the protective gear isolated suspect units at the Leningrad, Balakovo and Kola plants.

The protective gear activated seven times at research reactors, in response to functional failures in two cases.

The protective output decreases occurred through the fault of the personnel in reactors of the Obninsk and Dimitrovgrad plants.

In addition, there has been a 100 millicurie leak of radioactivity from the Dimitrovgrad plant's reactor. The area of the leak, classifiable as minor-degree, has been cleared. The plant's personnel and the urban population are past danger.

A report to the Atomic Inspection in December of 1995 said a rupture of the line left in a drilled well, at the Aktomarskoye deposit, a geophysical device with a radioactive source which was used for chemical analysis of the rock.

The well with the device in it was sealed with cement.

Federal Assembly

Russia: Stroyev Discusses Federation Council Activities

LD0502220596 Moscow Mayak Radio Network in Russian 1630 GMT 5 Feb 96

[FBIS Translated Text] We know that tomorrow the Federation Council starts its law-making work. Today Yegor Semyonovich Stroyev, chairman of the Federation Council, gave an exclusive interview to "Mayak" correspondent Olga Stroynova.

[Begin recording] [Stroynova] Yegor Semyonovich, today many economists and politologists say that Russia has a chance, on the one hand, to leap forward economically and politically and bring the reforms to their logical completion, but at the same time there is still a chance that Russia could remain in a state of stagnation, retaining all the things that we have today. What role should the Federation Council play to lead Russia out of this economic and political crisis?

[Stroyev] It is difficult to answer this question offhand. It all stems from the premise of political confrontation in society. In the Federation Council we try to carry out a principally different policy by examining the economic, political, and social categories not from a standpoint of political confrontation, but from a standpoint of unity and stability, and from a position of defining common sense in the behavior and actions of today's leaders both in the highest and lowest echelons of power.

Today there is no political force that wants to return everything back to the former situation, just as there is no political force today that would say that everything should be retained in its present state. We see that Viktor Chernomyrdin's government is forced to adjust its relations with the West in a situation where we sell $175 million-worth of goods and they sell more than $400 million-worth of goods to Russia. A parity must finally emerge, and along with such a parity, there must be protection of the home producer, which means protection of the home industry and creation of new jobs. That is what state intervention to protect the Fatherland is. If we start looking at the situation in society from that standpoint, I believe that such an approach will not raise any objections in the Federation Council.

Reforms must continue, society really needs them, and Russia will have a future if we start tackling soberly and calmly the painful social issues that have developed.

[Stroynova] What draft laws have you inherited from the former Federation Council?

[Stroyev] The former Duma and the Federation Council adopted 400 laws, but almost half of them were returned for procedural, legal, and pragmatic reasons. They were not signed by the president.

So continuing the practice of passing a law from one cabinet to another, from one body to another with no decisions being adopted on the painful issues is, I believe, a bad sign, and we will fight against it.

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I believe that it is not just a large number of laws that should be passed, but first of all important laws must be passed, such as the Civil Code, the Criminal Code, the Land Code, and a number of other basic laws without which society cannot move forward. That is why we have an agreement both with the president and the chairman of the Duma and with the Federation Council not to dig unnecessary trenches across a smooth path for adopting legislative documents, but to try as calmly as possible, but consistently, to implement all the legislative practice that people need today. [end recording]

Russia: Shokhin: 'No Grounds' To Worry About Reforms

LD0502075196 Moscow ITAR-TASS in English 0730 GMT 5 Feb 96

[By Konstantin Pribytkov, Aleksandr Stepanenko]

[FBIS Transcribed Text] DAVOS February 5 (ITAR-TASS) — Aleksandr Shokhin, First Vice-Speaker of the State Duma, the Lower House of the Russian Parliament, does not visualise an aggravation of relations between the Government and Parliament in the near future. "There have been no grounds for worries in this respect so far," he told ITAR-TASS on Sunday in comment on concern, voiced during the World Economic Forum here, over the fate of reforms in Russia following the December Parliamentary election.

Shokhin believes that complexities may arise "when the actual process of the Duma's law-making activities begins". He mentioned such "most sensitive" issues as probable contradictions over the budget as well as a possible voting on the Yabloko bloc's motion censuring the government.

However, in Shokhin's view, "there is no sense for the Communists to remove the government now", since it is "a zeroed target. In the run-up to the elections, it is more convenient to shoot at customary targets". This is why, he thinks, "they do not support Yavlinskiy's initiative".

Touching upon the recent reshuttle in the Cabinet headed by Viktor Chernomyrdin, Shokhin said as follows: "Although we see new people in the government — Vladimir Kadannikov and Aleksandr Kazakov — there are no grounds to regard them as 'conservatives'. I think these people are reformist-minded".

"It is noteworthy that in 1992 a group of reformists headed by Yegor Gaydar suggested Kadannikov to be appointed prime minister. If it was already then that this man was seen as being able to carry out reforms, then I do not think he has become more 'conservative' over the past three years," The First Vice-Speaker said.

Shokhin recalled that three years ago, when Viktor Chernomyrdin became head of the government, he was thought by many people as a "red director" who was incapable to forward the reforms. But it turned out that this is not so, he said.

According to Shokhin, now the question is "how these people will behave in a new political situation, especially in conditions of the election campaign". However, in his words, this is a "separate issue".

Russia: Seleznev Unofficially Meets Abkhaz Leader

LD0502212496 Moscow INTERFAX in English 1759 GMT 5 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Feb 5 (INTERFAX) — The speaker of the Russian State Duma, Gennadiy Seleznev, has confirmed in an interview that he had a 30-minute unofficial meeting last Saturday [3 February] with the leader of the self-proclaimed republic of Abkhazia, Vladislav Ardzinba.

The speaker said the meeting, held at Ardzinba's initiative, was also attended by the head of the Duma committee for CIS affairs Georgiy Tikhonov.

Seleznev and Tikhonov were informed about the difficult conditions in Abkhazia especially after the January summit of CIS countries decided to introduce sanctions against it.

"We should be concerned about any part of the world, especially bordering on Russia, where people live in inhuman conditions," Seleznev stressed.

He did not comment on the letter from his Georgian counterpart Vakhtang Zhvania, saying that he has not received it yet. Zhvania protested against Ardzinba's news conference at the Duma last week and questioned the possibility of Georgia's participation in the February 16 session of the CIS interparliamentary assembly in St. Petersburg.

Seleznev said that if the Georgian delegation wished to meet him or hold a news conference at the Duma, it would be given such a chance.

He said he intends to take part in the assembly session. Seleznev stressed that the January summit of the CIS left Boris Yeltsin as the chairman of the Commonwealth and said that the assembly would be headed by the speaker of one of the two houses of the Russian Federal Assembly.

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Russia: Bauer Likely To Become Duma Chief of Staff

MK0602142096 Moscow NEZAVISIMAYA GAZETA in Russian 6 Feb 96 p 1

[T.V.-signed report: "Expected Appointment"]

[FBIS Translated Text] The drawn-out dispute over who should be the new leader of the State Duma's staff will obviously be resolved soon. According to information available to NEZAVISIMAYA GAZETA, despite the Communists' attempts to take over this position, it will most likely go to the former chairman of the Committee on the Organization of the Work of the Duma, Vladimir Bauer — despite the fact that he is known as one of the principle activists of the German diaspora in Moscow. Vladimir Bauer is said to promise firmly not to promote people from his former committee to posts in the State Duma staff.

Russia: Duma Budget Committee Approves Own Structure

LD0502222196 Moscow INTERFAX in English 1909 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (FIA-INTERFAX) — The State Duma committee for budget, taxes, banks and finances approved its own structure and composition at its meeting in Moscow Monday.

Mikhail Zadornov was re-elected as committee chairman, while Yuriy Voronin, Aleksey Golovkov, Aleksandr Zhukov, Mikhail Kuznetsov and Gennadiy Kulik will be his deputies, INTERFAX's Financial Information Agency has learned.

The committee will include six subcommittees to be led by Oksana Dmitriyeva, Aleksandr Pochinok, Georgiy Luntovskiy, Pavel Medvedev, Vladimir Tarachev and Vladimir Nikitin.

Economic Issues

Russia: Government To Adhere to Inflation-Cutting Program

LD0502110896 Moscow ITAR-TASS in English 1041 GMT 5 Feb 96

[By Konstantin Pribytkov and Aleksandr Stepanenko]

[FBIS Transcribed Text] Davos, February 5 (ITAR-TASS) — The Russian Government adheres to its programme aimed at cutting the inflation rate, visiting Russian Economy Minister Yevgeniy Yasin told TASS.

"No violations of the programme have been registered so far," Yasin said. In the meantime, "attempts are being made to spend more money, to go beyond the means," he stressed.

"At present, the consequences of such decisions would be so serious that one should think 30 times before changing the line," he said.

Participants in the Davos World Economic Forum are very much concerned over the fate of reform in Russia. They keep asking whether recent government reshuffles could lead to backtracking from market reform, he said.

"A great many people think that the line may change. However, we said that these changes are of political character, that they are linked to the elections," the minister stressed.

Yasin expressed regret over former Russian Vice-Prime Minister Anatoliy Chubays's dismissal. "It was very pleasant and useful to work with him. But I think that (his successor) Vladimir Kadannikov and I will be cooperating advantageously to make the Russian economy change for the better," he said.

Talks with the International Monetary Fund (IMF) on providing Russia with a 9-million US dollar loan will complete successfully, he said. At experts' level, main documents have been agreed upon, and contacts should be made on politicians' level now, according to him.

A refusal to provide Russia with a loan would have negative consequences. The IMF's support "is a kind of signal for investors that the reform line in Russia is correct," he said.

Russia: Central Bank's Dubinin Cited on IMF Credit

MM0602104896 Moscow FINANSOVYYE IZVESTIYA in Russian 2 Feb 96 p 1 (received via Internet)

[Report by PRAYM correspondent Irina Yasina: "Russia's Discharge of Financial Obligations Strengthens Its Position in Talks With IMF"]

[FBIS Translated Text] The main part of talks with an IMF delegation given over to an evaluation of Russia's execution of its 1995 monetary program and discussion of its medium-term economic development program for the years 1996-1998 finished 30 January. This program should become the basis for a joint government and Central Bank statement on the medium-term strategy of economic policy. The signing of this statement-cum-application, which is planned for mid-February, will mean that Russia can receive a $9-billion loan from the IMF under the extended fund facility (EFF) program. The amount of the credit is $9 billion and it can be granted over a three-year period. The credit is not tied and the money is already included in the Russian state budget's income component.

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Commenting on the talks' outcome, Russian Central Bank Chairman Sergey Dubinin stated that the talks had proceeded fairly successfully and that several minor questions exclusively concerning structural policy remain to be finally cleared up. No differences have remained in questions of monetary policy. Thus, we can expect a new IMF delegation in Moscow toward mid-February, which will complete the talks or, if agreements are reached earlier, approve the government and Russian Central Bank joint statement-cum-application. According to Sergey Dubinin, IMF Managing Director Michel Camdessus intends to go to Moscow with this delegation. Apart from this, Sergey Dubinin noted that conducting talks with the 1994 and 1995 monetary programs already completed is much easier than in the preceding years.

What does it mean to Russia to receive more credit from the IMF? First and foremost, the chance of direct support for the state budget. However, the first $3 billion have already been included in the 1996 budget. In arguing about the advantages of Russia's future discharge of those economic policy obligations it is ready to take upon itself in accordance with the talks' preliminary results, let us attempt to prove this point using the "reductio ad absurdum" approach. If we assume that the government and Central Bank joint statement is not signed and the IMF credit is not granted for some or other reason, the following highly unpleasant consequences await Russia.

According to the Russian Central Bank chairman, in these circumstances Russia will certainly be refused a deferment in the payment of its external debt and the country will have to pay around $16 billion in 1996 alone, which has not been factored into the state budget's expenditure component. In actual fact, this amounts to more than a third of the country's annual export earnings and, of course, such a sum cannot be paid out. Russia's defaulting on its debt obligations may not only result in its status as a borrower being limited but also in legal sanctions against the debtor country, including the impounding of property abroad, the freezing of trade credits and the halting of crucial imports, the arrest of Russian ships in foreign ports and so on. Naturally, it will also not receive the first tranche of the EFF, which, according to Sergey Dubinin, may be as much as $4 billion, given favorable circumstances in 1996.

The credit of $1 billion from the World Bank which has already been included in the 1996 budget income will also fall victim to Russian reluctance to have a stable national currency. There is every sign that the planned issue of $2 billion worth of Russian state securities (Eurobonds) in international markets will also prove impossible. It is likely that nonresidents will not under these circumstances wish to purchase Russian state securities in the internal market, and in this way admittance of foreign investors to the short-term state bond market — which is just under way — will be killed off. It is fairly complicated to calculate an accurate figure for the losses from unsold short-term state bonds, but it is, however, worth taking the Central Bank chairman's word for it that they will be very considerable.

Even so if we add up the suggested losses from the income component and the unforeseen losses from the expenditure component, Russia will have a state budget deficit which will have more than doubled and for which cover simply cannot be found. Similar problems will of course be in store for the country if the signed agreements are not observed and the IMF stops the granting of one of the subsequent tranches, thereby setting in motion all the aforementioned steps. After this we can only repeat the sad experience of the inflationary years, when the state budget's parameters were reviewed every quarter and the hole in the budget did not shrink but expanded owing to the increase in the money supply.

We should point out that for the parameters of the monetary policy to be observed, what is important is the state budget's total expenditure and not the specific areas in which expenditure occurs. This means that it is technically possible to include several trillion in the budget at a later stage to revive the Chechen economy, but it is absolutely necessary to indicate against which headings these trillions have been debited: subsidies for the miners, teachers' pay, or pensions.

It only remains to be added that in accordance with the obligations Russia is planning to take upon itself, the consolidated budget's deficit should not exceed 4 percent of the GDP in 1996 and will fall to 2.5 percent by 1998. It is also being proposed to increase the consolidated budget's income by 3-4 percent of the GDP over a three-year period. As a result of this policy, the increase in the GDP in real terms may amount to 2-4 percent in 1996-1998 with a further acceleration by the year 2000 of up to 6-7 percent while the average monthly inflation rate is 1 percent or 10 percent per annum.

According to Sergey Dubinin, the long-term forecast for the Russian economy's development made by IMF experts, is much better than corresponding forecasts for previous years. This represents a high rating for Russia's achievements in its battle with inflation and in for the stabilization of the national currency from international financial experts who are comparing the progress of economic reforms in dozens of countries of the world.

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Russia: CBR Chief Discusses Savings at Economic Forum

LD0502110096 Moscow ITAR-TASS in English 1033 GMT 5 Feb 96

[By Konstantin Pribytkov and Aleksandr Stepanenko]

[FBIS Transcribed Text] Davos, Switzerland, February 5 (ITAR-TASS) — The Central Bank of Russia (CBR) has estimated that the country's population have slightly more than 20,000 million U.S. dollars in cash, CBR Chief Sergey Dubinin has told ITAR-TASS. He is attending the current annual session of the World Economic Forum here. He said 2,500 million USD are brought into the country every month of late, with about 1,500 million USD being deposited as savings.

Dubinin pointed out the desirability of a "de-dollarisation" of the savings. One of the relevant problems has been resolved: income on rouble deposits is now higher than that on the dollar ones. It is essential, however, to get rid of the remaining distrust of the rouble, he added.

"Everything in this respect depends on an economic policy. If we make no follies that would undermine the stability of the rouble or spiral up inflation, I am confident that the transfusion of dollars into roubles will start at the level of natural persons, as has already been the case with legal entities," the CBR chief said.

The rouble is already virtually convertible in current transactions, Dubinin pointed out. As far as the convertibility of capital transactions is concerned, there should be no hurry in this respect, simply for safety considerations — because the movement of "hot money", involving State securities, for example, may at some moment deal a blow against the balance of payments and the rouble rate, he said.

The CBR chief did not say anything about the future of the "currency band", commonly known as the "currency corridor", which, he said, introduces a certain stability to the economy. Subsequently, the "currency band" may be maintained in its present form or its parameters may be changed. Possibly, some other system will be introduced to regulate the rouble rate against the U.S. dollar. Only one thing may not happen: a renunciation of regulation in principle, Dubinin emphasised.

Russia: Procedure for $100 Bill Exchange Outlined

MM0502150096 Moscow ROSSIYSKAYA GAZETA in Russian 3 Feb 96 pp 1, 8

[Interview with Viktor Melnikov, chief of the Central Bank Main Administration for Currency Regulation and Exchange Controls, by Igor Maksimov: "Everything Will Be Expensive and Green. More on the $100 Bill Exchange" — first paragraph is introduction]

[FBIS Translated Text] As the day of the exchange of old $100 bills for new ones draws nearer, there are more and more heated arguments about how this measure should be implemented in Russia and how it will affect the holders of foreign cash. As is well known, the Central Bank and the leading commercial banks have signed an agreement under which, in particular, the maximum commission charged during the exchange of old bills for new-style bills will not exceed 2 percent. Experts from the International Conference of Consumers' Societies have accused the parties to the agreement of a monopoly deal whose aim is virtually to help the banks make money out of the exchange. Today we asked Viktor Melnikov, chief of the Central Bank Main Administration for Currency Regulation and Exchange Controls, to explain the Russian Federation Central Bank's position.

[Maksimov] Why did the Central Bank have to coordinate the work involved in introducing the new dollars?

[Melnikov] That is a good question — the exchange is being carried out by the Americans, who, moreover, have stated on several occasions that the old- and new-style bills will have equal buying power and will remain in circulation for an unlimited period. We considered above all the mentality of a population which, in the wake of many confiscatory share issues, has a kind of knee-jerk reaction to the word "exchange." And, having heard about a similar upcoming operation, a considerable number of ordinary Russians would probably decide that their savings were under threat. If waiting lines were to form outside exchange centers (we have had that "get in line, quick!" experience from times past) then speculation would begin and, as a result, all people's recriminations would be directed not at the U.S. Federal Reserve, needless to say, but at the Bank of Russia, which people allegedly look to for guidance.

Why was it impossible to dispense with commission? This operation involves considerable expenditure — on transportation, storage, armed guards, and insurance. Moreover, exports of currency will increase many times over — and this costs the banks three times more than imports, since it is necessary to check that the bills are genuine, count them, and pack them. These costs point to a maximum level (I would emphasize) of 2-percent commission. And then the question arises — who should pay for all this? If it were the state, then it would be through taxpayers — but by no means all of them hold foreign currency, so why should they have to pay for others? That leaves the commercial banks, which will not work at a loss. And, in any case, customers at

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exchange centers have to pay similar costs in the shape of the buying-selling spread.

The references to the far abroad are incorrect: There is no giant exchange of cash dollars held by the population under way there — the British or the French would not dream of stuffing greenbacks "under the mattress." Why was it necessary to conclude a special agreement between the Central Bank and the commercial banks? Even in December there was a already a sense of tension in the press, and this was of benefit to those who were planning to make money out of the exchange — there were rumors flying about that the commission would be virtually 20 percent. The agreement provides confidence that this sort of thing will not happen, and it lays down the ground rules.

Moreover, it has allowed the state to exert some influence on the process of the introduction of the new dollar bills. Thus, if customs duty on the importation of foreign currency bills is lowered or abolished on the basis of our initiative, this will lead correspondingly to a reduction in costs and have an impact on the level of commission. Consequently, those who are campaigning so heatedly for consumers' rights should consider the following question — who would stand to benefit from the absence of such an agreement?

[Maksimov] What controls will there be over the introduction of the $100 bills?

[Melnikov] The Central Bank intends to check the sales contracts relating to the new dollars of the banks party to the agreement so as to verify that they match the terms of the agreement. But abuses are more likely to happen after subsequent resales, and we intend to monitor those as well. Oversight of exchange centers (there are currently 11,300 of them in Russia) will be tightened up in the very near future. Standard-format details and telephone numbers of the territorial Central Bank administrations which should be contacted in the event of violations will be on display at the centers. For instance, one such violation would be if the old bills became subject to any kind of discrimination.

[Maksimov] So what should citizens do when the new dollar bills appear?

[Melnikov] First and foremost, they should not panic or allow unscrupulous dealers to make money out of them. They can put the currency in the bank — special exchange accounts are currently being opened where you deposit your old bills and withdraw new ones. And if you do not trust the banks, then just stay calm and do not try to dump your beloved dollars as quickly as possible.

Russia: Government Aide Views Problem of Payment Arrears

MM0602092796 Moscow ROSSIYSKIYE VESTI in Russian 3 Feb 96 p 3

[Article by Mstislav Afanasyev: "Will the Nonpayments Problem Be Resolved?" — first paragraph is ROSSIYSKIYE VESTI introduction]

[FBIS Translated Text] Enterprises' arrears to the federal budget and to various extrabudgetary funds — the pensions and medical insurance funds, and so on — are jeopardizing the implementation of the government's social program. What steps is the executive taking to eliminate payment arrears as soon as possible? Mstislav Afanasyev, secretary of the Russian Federation Government Operational Commission for the Improvement of the System of Payments and Transactions, discussed this issue.

Over the last two years of reform payment arrears to suppliers, so-called classic payment arrears, have dropped by a factor of 1.5. And I hope that this trend will continue. For the first time in the history of economic reform last December payment was not received for just 4.5 percent of all output dispatched. This indicates that relations between enterprises are becoming increasingly civilized.

However nonpayment of consumption funds is becoming chronic. Wages account for 93 percent of all arrears here. According to our figures, the Finance Ministry remitted all money to the budget-funded sphere and the treasury forwarded payments on time. One can only guess why at the end of the year the money failed to reach workers in higher education, among others. But the latest decisions banning enterprises from putting money on deposit until they have paid their staff's wages in full will probably enable this "mystery" to be resolved.

There is particular disquiet over the arrears to the budget and various funds, primarily the pensions fund. However, whereas the local budget situation is fairly stable — enterprises are not taking the risk of pitting themselves against the local authorities — federal budget arrears have risen sharply. They represent one-third of all arrears. They are rising and as of early January stood at over 33 trillion rubles.

How are we to combat this scourge? First, it is necessary to tackle all the problems of the tax system, financial management, and state policy. A curious rule of logic has emerged: The increased cost of money and tough financial policy are resulting in money being valued more and payment arrears [proplaty] becoming more

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regular. Inflation is increasing the risk and consequently leading to the temptation of paying late.

The next real step is tax reform. Learning to collect taxes is half the work. It is necessary to stipulate a reasonable rate of deductions because there must be limits to all pressure, including tax pressure.

But it is no good just writing off debts. The state's paternalist position toward enterprises has already proved ineffective during the early days of reform. Remember how the state in 1992-1993, in an attempt to keep enterprises afloat, often issued cheap, sometimes totally free loans. In response directors meticulously paid their taxes. But that did little good.

One can say with certainty that the bulk of our directors are excellent engineers, competent technologists, but extremely ineffective salesmen, financiers, and economists. Many of them still fail to realize that an enterprise's balance sheet is a management tool, rather than a lever to pay mega-bonuses to their associates.

Russia: Commentator Pessimistic on 1996 Economic Prospects

MM0502165096 Moscow FINANSOVYYE IZVESTIYA in Russian 1 Feb 96 p 1

[Article by Yevgeniy Vasilchuk: "Russian Economic Situation Likely To Deteriorate in Second Quarter of 1996" — received via Internet]

[FBIS Translated Text] Present Yeltsin has announced that the latter half of 1996 will see the beginning of a growth in industrial production and investment, and also a reduction in inflation. However, the preliminary results of economic development in January, which have not yet reached the president, make the realization of this optimistic forecast less likely.

The economic situation in Russia showed a marked deterioration in the second half of January. According to initial estimates, the rate of growth in consumer prices rose to 4.5 percent in January, compared to 3.2 percent in December of last year. Although the government actually forecast that inflation would jump to 5 percent, the dynamics of inflation in the first half of January allowed it to hope for a more favorable result.

However, worst of all is the fact that the future behavior of prices has become absolutely unpredictable. On the one hand, the inertia of the demand constraints accumulated in the fourth quarter of 1995 continues to operate. The slump in industrial production accelerated in January and reached 8 percent (according to figures as of 21 January), whereas an, albeit negligible, increase of 1 percent was actually recorded in December. Even after seasonal adjustment, the reduction remains significant, especially since the trend emerged and took hold as early as last fall.

On the other hand, the authorities' statements and actions aimed at modifying economic policy in the direction of relaxing budgetary and monetary policy has begun to fuel inflationary expectations. A stable trend toward an increase in the dollar exchange rate has developed, and is clearly supported by the Central Bank. The interest rates on interbank short-term loans and the profitability of state securities are sliding steadily downward.

This is proof that fluctuations in current trends in various segments of the financial market are no longer determined simply by the short-term, speculative transfer of resources. A new factor has begun to operate — the presence of available monetary funds in the financial system. All the signs suggest that the economy, above all the financial sector, received pretty hefty liquidity injections in January.

The ominous combination of pro-inflationary sentiments in financial circles and the inertia of the demand constraints in the real sector leads one to suppose that the Russian economy will develop very unfavorably in the first half of 1996.

By an irony of fate, its performance in the first half of 1996 will possibly be close to the government's baseline. Russia's GDP will contract by 4 percent by comparison with the corresponding period of last year. The fall in industrial production will be a little less — 3-4 percent. Finally, the average monthly inflation rate will be 3.5-3.8 percent in the first quarter and around 3 percent in the second.

It should be noted, however, that, in view of the figures for January, the likelihood of the economy's reaching mid-1996 with these performance indicators has significantly decreased. There is an increased risk of an acceleration in the industrial slump to 5-8 percent in the second quarter, and in the monthly inflation average to 10 percent.

There are so far no noticeable signs of a rally in investments or in the modernization of the country's infrastructure and production organization. Structural shifts remain unfavorable [nosyat passivnyy kharakter]. The action taken by the authorities in pumping money into the economy at the beginning of the year was clearly premature. Russia has not yet reached the stage of development whereby financially kick-starting the economy is capable of leading not just to a growth in inflation but also to industrial recovery.

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Russia: Trade With CIS Countries Up 5 Percent on Last Year

MM0602093596 Moscow ROSSIYSKAYA GAZETA in Russian 3 Feb 96 p 10

[Unattributed report: "Ties Restored"]

[FBIS Translated Text] Russia's foreign trade turnover with the CIS countries in 1995 reached $29.8 billion, an increase of 5 percent on the previous year, the Russian Federation State Committee for Statistics has announced. Exports reached $13.5 billion (a decline of 9 percent), while imports reached $16.3 billion (an increase of 21 percent).

The CIS countries' share of total Russian trade turnover last year was 22 percent. And, compared with the previous year, Russia posted a trade deficit of $2.8 billion.

Experts are noting that the revival of Russia's mutual trade with the CIS countries has been evident since the start of the year as a result of the strengthening of the Russian Federation's economic relations with these countries, which are seen as a priority by the Russian Government. In particular, the process of restoring production sharing ties between enterprises in the former USSR republics is under way. It is well known that around 50 percent of the production slump in the CIS countries was caused by the destruction of existing economic ties between associated plants on different sides of the border.

Russia: 1995 Investment Program 82-Percent 'Underachieved'

LD0502165196 Moscow ITAR-TASS in English 1539 GMT 5 Feb 96

[By Aleksandr Samozhnev]

[FBIS Transcribed Text] Moscow, February 5 (ITAR-TASS) — The Russian federal investment programme proved to be 82 per cent underachieved in 1995.

Only 38 out of the planned 206 industrial facilities were put into operation, sources at the Economic Ministry told ITAR-TASS on Monday. Federal programmes which dealt with separate sectors development were 40 per cent underfinanced, the sources said.

However, the total space of new housing by nine per cent outstripped that in 1994, primarily due to private and mixed capital companies which accounted for 70 per cent of housing construction.

Businesses seemed to be more interested in investing in projects with federal share. Over 1995, the ministry has received 713 applications for federal investment in projects also involving private funds, with budgeted costs of 37.2 trillion roubles (about 8 billion dollars). Successful applicants were to be chosen on a competition basis.

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International Affairs

Ukraine: Foreign Ministry Statement on U.S. START II Ratification

AU0502215096 Lvov ZA VILNU UKRAYINU in Ukrainian 30 Jan 96 p 1

["Statement by Ukraine's Ministry of Foreign Affairs on the Ratification of the START II Treaty by the U.S. Senate": "We Set an Example for the Whole World"]

[FBIS Translated Text] The news on the ratification by the U.S. Senate of the START II Treaty was met with satisfaction in Ukraine. Even though it is a bilateral U.S.-Russian document, its significance, undoubtedly, far exceeds the scope of relations between the two states.

Ukraine, which has survived the Chernobyl tragedy, has always been in favor of speeding up the process of nuclear disarmament in the world. We want the 21st century to be totally free of nuclear weapons. However, Ukraine not only supports this, but it also takes concrete vital measures. It would not have been possible for the START II Treaty to go into effect without proper fulfillment of the START I Treaty.

It is known that Ukraine made its weighty contribution to the implementation of the START I Treaty, as the world's third largest nuclear potential is being destroyed consecutively and in full conformity with its unilateral statements and international commitments. More than 70 percent of nuclear charges, located in Ukraine, have already been withdrawn for dismantling.

We hope that the process of nuclear disarmament, at the source of which Ukraine stood, will considerably intensify after the important step, made by the U.S. Senate.

We count upon the Russian side to ratify, in turn, the START II Treaty.

Ukraine also calls upon other nuclear states to urgently join the process of nuclear disarmament so that our children would live without a threat of nuclear destruction.

Ukraine: 'Spy' Incident Will Not Affect PRC Relations

LD0502201496 Moscow INTERFAX in English 1759 GMT 5 Feb 96

[From the "Diplomatic Panorama" feature by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] KIEV, Feb 5 (Interfax - Ukraine) — The Ukrainian Foreign Ministry has described as a "misunderstanding" the press reports claiming the January 29 Dnepropetrovsk incident involving three Chinese citizens had something to do with espionage.

A ministry statement circulated last weekend says that the Dnepropetrovsk incident resulted from "Ukrainian citizens' unauthorized attempt to give 'vulnerable' information to Chinese specialists, who came to this country at the Ukrainian invitation."

The Chinese citizens "testified as witnesses," says the statement.

"Their actions revealed no reasons for espionage charges and the Ukrainian side brought no accusations against the Chinese in this connection," it notes.

The Ukrainian Foreign Ministry did not make any demarches to the Chinese embassy in Ukraine.

The statement drafters hope the "misunderstanding caused by the publishing of unverified reports will not hamper the development of Ukrainian-Chinese relations," which are a priority of Ukraine.

The statement was preceded with a demarche of the Chinese embassy in Kiev, which demanded "the soonest public refutation of the false reports, and truthful information on the incident."

Earlier this year the Ukrainian Security Service's press center reported that its Dnepropetrovsk department prevented the illegal purchase of documents on rocket engines by three staffers of the Shanghai machine-building institute.

The report said the Chinese citizens "violated the procedure of obtaining the property right on information and the regime of control over rocket technologies," when receiving from individuals a number of documents on rocket engines, developed at the Yuzhnoye design bureau.

"The unauthorized reception of this data by the Chinese specialists could inflict political damage on Ukraine, because it joined the regime of control over rocket technologies," said the report of the Security Service.

During the search, the documents were confiscated on consent of the Chinese specialists, reports the press service. Their expulsion from Ukraine and prohibition to return to that country for 5 years "due to activities incompatible with their stay in Ukraine" were considered as well.

"Bearing in mind the state and prospects for the Ukrainian-Chinese relations, the aforesaid foreigners were allowed to freely return home, which they did on January 30," says the report.

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The press service estimated as "incorrect" the espionage accusations brought against the Chinese specialists in some mass media bodies.

Ukraine: Kiev Hopes Yeltsin Visit Will Resolve Fleet Problem

LD0502202196 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] KIEV, Feb 5 (Interfax - Ukraine) — Ukraine hopes that Russian President Boris Yeltsin's visit to Kiev will help the two countries reach a principal agreement on the ongoing conflict over jurisdiction of the former Soviet Black Sea Fleet, a high-ranking Ukrainian diplomat told Interfax - Ukraine Monday.

The Russian president is scheduled to visit Ukraine in early April 1996.

Ukraine believes that it would be logical to make a principal decision regarding the Black Sea Fleet precisely during President Yeltsin's visit along with the signing of the political treaty between the two countries, the diplomat said.

"In that case the Russian president's visit would have decisive significance for removing the fleet problem, rather than being just another official visit," the diplomat said.

Ukraine would like the transferred fleet facilities to be in better condition, he said, but in truth fleet facilities transferred from Ukraine to Russia are little better off, if any.

The diplomat said terms for the Russian navy using part of infrastructure in the Ukrainian port of Sevastopol, the term of the lease and the cost of rent all have yet to be decided. Such decisions will have to be made at the highest level.

The diplomat said he regretted that Russia had not thus far officially responded to Ukrainian proposals related to these issues made by Kiev in the summer of 1995.

Ukraine: Prime Minister on Russian Treaty, Black Sea Fleet

LD0202212096 Moscow INTERFAX in English 1936 GMT 2 Feb 96

[FBIS Transcribed Text] DAVOS, Feb 2 (Interfax-Ukraine) — A Russian-Ukrainian intergovernmental commission, headed by Prime Ministers Viktor Chernomyrdin and Yevgeniy Marchuk, will hold its first session on February 13-15, Marchuk told Interfax-Ukraine in Davos on Friday. The Ukrainian prime minister is attending the annual international economic forum in the Swiss town.

Commenting on the situation on a general treaty between Ukraine and Russia, Marchuk said that all the issues relating to the treaty are resolved. He recalled that the border issue was taken out of discussion as a result of his meeting with Russian President Boris Yeltsin early last year. According to Marchuk, from the Russian side, the citizenship issue alone remains unresolved, but the sides agreed to resolve it at subsequent talks.

However, if changes are introduced in any of the provisions of the draft treaty, which is a result of multiple compromises, the Ukrainian side will face the need to go back on its compromises, said Marchuk.

He proposed not to change any of the draft treaty's provisions because of the danger of breaking "the entire construction, which is a result of long work."

He did not rule out that the problem of the Black Sea Fleet may be wholly resolved before the Russian-Ukrainian summit scheduled for early April. However, Marchuk believes that technical aspects of the issue, such as the evaluation and transfer of the fleet's property, will take two to three more years to resolve.

According to him, Russia is not exerting any political pressure on Ukraine over the use of energy resources. The issue was recently discussed with Russian Foreign Minister Yevgeniy Primakov, he said.

Ukraine: Marchuk Denies Russian Political Pressure

LD0402063096 Moscow ITAR-TASS World Service in Russian 0228 GMT 4 Feb 96

[By ITAR-TASS correspondents Konstantin Pribytkov and Aleksandr Stepanenko]

[FBIS Translated Text] Davos (Switzerland), 4 Feb — Russia has never brought "pressure with regard to energy" to bear on Ukraine. This was stated by Yevhen Marchuk, head of the Ukrainian Government, at a news conference in the Swiss town of Davos, when he refuted the current version that Moscow is allegedly taking advantage of the energy difficulties in the neighboring republic for its own ends. The Ukrainian prime minister is taking part in the session of the World Economic Forum, which is being held in Davos.

"I have said this everywhere — both at news conferences and in speeches," the prime minister stressed. "We have problems, we have debts, and there are all kinds of misunderstandings," but "pressure has never been exerted on Ukraine by Russia" with fuel supplies. This has not been mentioned either in personal conversations or

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at talks. "We are resolving the problems. They are unpleasant. We swear at one another and sort out our relations. We are perhaps dissatisfied with one another, but there is no political pressure."

Ukraine: Moroz on 'Understanding' Shown by Primakov

AU0502132796 Kiev HOLOS UKRAYINY in Ukrainian 2 Feb 96 pp 1, 2

["Statement for the Press by Oleksandr Moroz, Chairman of Ukraine's Supreme Council, Following His Meeting on 1 February 1996 With Yevgeniy Primakov, Minister of Foreign Affairs of the Russian Federation"]

[FBIS Translated Text] In the course of our meeting with Russian Federation's Foreign Minister Yevgeniy Primakov, we touched upon a broad circle of issues. There are several among them that are, in my opinion, crucial in international policy and, in particular, in Russian-Ukrainian relations.

I would like to point out in this connection that we assess Russian-Ukrainian relations as good-neighborly. This is determined by the main trends in Ukraine's foreign policy approved by the Supreme Council in 1993. It is essential that our two countries find common approaches in pursuing their national interests.

We are concerned, in particular, about the situation that has taken shape in the European security system, especially in our European region, and also in the world.

In recent years, a number of states of Central and East Europe have spoken unambiguously in favor of joining the NATO system. We have respect for such intentions. These states have the right to satisfy their interests in a way they find appropriate, however, not at the expense of interests of other states. In particular, not at the expense of Ukraine's interests.

The delimitation of the area of NATO expansion, the determination of the forms of this organization's influence upon the international situation, and the architecture of the future security system in Europe — this problem must become a subject of profound consideration at the international level. For example, at an international conference similar to one held in Helsinki in 1975. In my talks with Ye. Primakov, I proposed that the Russian side support this idea and the proposal to hold such a conference in Kiev. It seems to me that we have every reason to advance such a proposal and count upon support for it. We are a neutral country and are deeply interested in maintaining stability in this region. We do not want to become a buffer zone in the confrontation of certain systems or certain states.

It seems to me that Ye. Primakov showed understanding for this proposal.

For its implementation, we will be able to use such institutions as the Council of Europe that Russia has recently joined, the OSCE [Organization for Security and Cooperation in Europe], and other influential international organizations. Jointly with parliamentarians and governments of European and not only European countries, we might be able to choose a security model on our continent, a model that would guarantee stability over the next 15- 30 years. It is precisely proceeding from such a problem that we must build our foreign relations today and work out specific coordinates of a new system of European security. I hope that this idea will find response in foreign political structures, in international organizations, and in individual states.

We also found understanding regarding yet another important problem — the problem of the Chernobyl Atomic Electric Power Plant [AES]. We proceed from the fact that today Ukraine has no financial or technological possibilities to be able, on its own, to close down the Chernobyl AES. It is an international problem, and we count upon effective international assistance, specifically assistance, and not additional indebtedness that we are expected to incur. The Russian side understands this problem, and I also found its understanding in Lithuania during my recent visit to that country.

Yes, mankind will, sooner or later, face the need to close down nuclear plants. However, to start this today with Ukraine, Lithuania, or Russia would, under present conditions, mean to seriously endanger the economic situation in these countries.

Today, we must talk of something else: Do these nuclear plants operate at a sufficiently high technological level or at a sufficient level of safety? And will today the economy of a separate country, for example, Ukraine, handle the closing down of the AES without external assistance? It will be necessary to compensate for considerable economic, power engineering, and social losses.

An idea was expressed in the conversation with Ye. Primakov that, at the next meeting of the G-7 in Moscow, the Ukrainian side must also be an equal participant in discussing the fate of the Chernobyl AES. It may be represented by the Ukrainian president.

It seems to me that this proposal also found the understanding of the Russian foreign minister. We hope that, by making certain steps in this direction, we will be able to promote just such a procedure for discussing the issue and find variants of its resolution in line with Ukraine's possibilities and interests.

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Ukraine: Visiting Estonian Minister Discusses NATO

LD0502210196 Kiev UNIAN in Ukrainian 1805 GMT 5 Jan 96

[FBIS Translated Text] Kiev — "Estonia has great sympathy for the neutral status chosen by Ukraine, and is ready to cooperate with Ukraine in all fields," Estonian Foreign Minister Siim Kallas told the UNIAN news agency in an interview on 5 February.

He emphasized that Ukraine should not perceive Estonia's future entry to NATO as a confrontational step that would make security conditions in the region worse.

According to the Estonian foreign minister, Ukraine's position of neutrality "proceeds from very specific circumstances, conditioned by its economic potential and links in the security sphere, with regard to which the difference with Estonia is great."

Siim Kallas believes that "Ukraine is a powerful military state, in contrast to Estonia, which cannot play a large role in the military sphere." According to him, Estonia considers itself "part of Western Europe and Western influence and therefore sees guarantees of its security in an efficient European security structure, which NATO is."

Ukraine: Kuchma Discusses Relations With Muslim Ambassadors

LD0502150796 Kiev UNIAN in Ukrainian 1350 GMT 5 Feb 96

[FBIS Translated Text] Kiev, 5 Feb (UNIAN) — Ukrainian President Leonid Kuchma met with 11 ambassadors of Muslim countries accredited in Ukraine. The meeting was designed to discuss the present and future of Ukraine's cooperation with Muslim countries.

The president said that strengthening cooperation with eastern states is among Ukraine's foreign and economic policy priorities. He attributed this to the economic significance and political authority of the region, its geographic proximity, the convenience of transportation routes, historical traditions in mutual relations, and a number of economic factors.

The diplomats asked Kuchma for permission to build a mosque in Kiev. "It is our duty to help in this matter," the president said.

According to Leonid Kosakivskyy, chairman of the Kiev State Administration, a plot of land on Lukyanovskaya Street in the city's Shevchenkovskiy district has been allocated to the Ukrainian Muslim clerical administration to build a prayer facility.

National Affairs

Ukraine: Kuchma Tells Cabinet To Control Payments to Miners

LD0502162996 Moscow INTERFAX in English 1355 GMT 5 Feb 96

[FBIS Transcribed Text] KIEV, Feb 5 (Interfax-Ukraine) — Ukrainian President Leonid Kuchma has ordered that the Cabinet of Ministers take under strict control the payment of wages to coal miners.

The president held a meeting on February 5 with top members of his administration, the presidential press service told Interfax-Ukraine on Monday. The speakers informed him of the miners' strike and how the debt to them is being repaid.

Also under discussion were preparations for the annual president's report to the parliament, the situation in the education sphere, as well as preparations for a nationwide conference on science development.

The Ukrainian president will stay in Finland on February 8-9 for an official visit, according to the presidential press service.

Ukraine: Lugansk, Cherkassy Miners Join Donbass Strike

LD0502211496 Kiev UNIAN in Ukrainian 1805 GMT 5 Jan 96

[FBIS Summary] In a 15-minute report, UNIAN reports that coal miners in Lugansk and Cherkassy Regions have joined the strike which began on 1 February in Donbass. Officials of the Lugansk regional state administration say that on 5 February 19 out of 81 mines in the region were idle. Some mines extracted coal, but did not send it to consumers.

Some 2,000 miners in the town of Vatutino, Cherkassy Region, who have been on strike since 18 December, have backed their colleagues' demands according to Volodymyr Zhyrnov, head of the Vatutino mine directorate. The local briquette factory and thermal power station are also idle.

Ukraine: Miners To Continue Strike; Draw Up Statement

LD0502213696 Moscow INTERFAX in English 1800 GMT 5 Feb 96

[FBIS Transcribed Text] Donetsk, February 5 (Interfax - Ukraine) — The mine workers' strike in Ukraine, which broke out on February 1, will be carried on. A decision to this effect was taken at a meeting in Donetsk on Monday of representatives of trade union committees

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and activists of the mine workers' strike movement in Ukraine.

According to an IF-U report, the meeting attended by around 600 delegates from all regions of Ukraine, has passed a decision on a total walk out in the industry if the government refuses to enter upon negotiations with strikers on February 6-7. To this end, the strike headquarters intends to send pickets to mines in operation, which as is pointed out in the statement, "cannot but lead to social and other upheavals in mine workers' towns and populated localities."

On Monday, as representatives of the strike headquarters told a meeting, 72 out of the 227 coal mining enterprises of the country have been completely inoperative. Another 100 mines are cutting coal, but will not ship it to consumers. The Coal Industry Ministry figures, which are more often than not considerably lower, have not been given.

The meeting passed a statement saying that the government has not recognized the very fact of the strike and that a commission for the settlement of the conflict has not been set up thus far. Government structures do not take part in the meetings and rallies of the working people, the miners said.

The participants in the meeting are drawing attention to the fact that not a single decision has been passed until now by the government, and no schedule for paying off the delayed wages to miners has been outlined.

The statement has been signed by Viktor Derzhak, Chairman of the Central Committee of the Coal Mine Workers' Union (CMWU), Ukraine's biggest mine workers' union, Mykhailo Volynets, deputy Chairman of the Indepemndent Miners' Union of Ukraine, Leonid Kolesnyk, Chairman of the Engineering Workers' Union of the Coal Industry, and Mykhailo Krylov, Co-Chairman of the Donetsk City Workers' Strike Committee.

Mykola Pidgorny, one of the CMWU leaders, who heads the strike headquarters, told the meeting that the action had been a success, in his view, despite the fact that a mere 2.6 trillion krb had been appropriated to pay off the delayed wages, instead of the 20 trillion krb promised to the miners, which is "clearly insufficien".

M.Pidgorny also disclosed that it is planned to hold an inter-branch rally in Donetsk on February 8 to demonstrate, as he put it, "the real scale of the strike".

Ukraine: Moroz on Current Constitutional Process

LD0502213196 Moscow INTERFAX in English 1800 GMT 5 Feb 96

[FBIS Transcribed Text] Kiev, February 5 (Interfax - Ukraine) — Ukrainian Parliament Speaker Oleksandr Moroz has urged that the "interim version of the draft Constitution sent to the local authorities shall not be discussed".

Addressing a meeting in Kiev Monday of deputy chairman of local administrations in charge of farming, he said that "such a paper has no chance to be passed by the Verkhovna Rada".

According to O. Moroz, Ukrainian President Leonid Kuchma also objects that the draft, which has not been endorsed by the Constitutional Committee, be discussed in regions. He is even unaware of such a decision by his administration, Moroz added.

The Parliament Chairman has described the current constitutional process as "running smoothly". The effort to draft the Fundamental Law is currently being completed by the conference committee, following which it is to be examined by the Constitutional committee later in February and tabled in Parliament.

After the draft Constitution is endorsed in the first reading in Parliament, it is to be submitted for a national referendum, Moroz disclosed.

He urged the representatives of the local administrations that the "fundamental provisions in the draft" be paid due attention so as "not to commit follies that will unsettle things for many years to come".

Thus, in his view, the new Constitution shall provide for a division of powers between branches of power. In saying so, O. Moroz expressed the view that "the Cabinet of Ministers shall report to the parliament and be controlled by it".

According to the Parliament Speaker, "a bicameral parliament is unacceptable for Ukraine since it is designed to strengthen the executive branch of power to the detriment of the legislative and judicial ones".

"The powers of the local authorities shall be sealed in the Constitution as well as their self-administration functions, rather than be delegated," O. Moroz told the meeting of deputy local administrations' chiefs.

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Ukraine: Communists Warned Against Supporting Basic Law Referendum

WS0602101796 Kiev UKRINFORM in English 0733 GMT 6 Feb 96

[From the "Current Events" feature]

[FBIS Transcribed Text] The Justice Ministry of Ukraine issued a statement warning the Ukrainian Communist Party's leaders against carrying out a sign-in to press for an all-Ukrainian referendum on the draft constitution of Ukraine. In his report to the Ukrainian Communist Party's plenary meeting of the Central Committee and the Central Auditing Committee on January 27, 1996, Communist Party First Secretary Petro Symonenko singled out the sign-in at the Party's top priority task in 1996, though on October 26, 1995 the Central Election Commission of Ukraine warned against any such sign- ins as contradicting the Law of Ukraine on all-Ukrainian and local referenda. Thus, the Communist Party of Ukraine attempted to go beyond its competence, as specified by both its rules and the Law of Ukraine on citizens' associations, in view of which violation the Justice Ministry will make a decision about imposing relevant penalties on the Communist Party of Ukraine, the statement warns. The statement was signed by Justice Minister Serhiy Holovatyy on February 5 and calls upon the Ukrainian public at large to refrain from any political actions which may destabilize the nation now that the constitutional process is nearing its consummation.

Ukraine: Kiev SBU Office Chief Views '95 Results

WS0602104796 Kiev KYYIVSKA PRAVDA in Ukrainian 30 Jan 96 p 3

[Report attributed to the Ukrainian Security Service press center: "A Special Area, a Meeting of the Kiev SBU Office Was Held To Hear a Report on Results, Achievements, and Problems in Counterintelligence Operations in 1995"]

[FBIS Translated Text] When SBU chief Lieutenant General Volodymyr Lykhouzov delivered a report at the meeting of the Kiev SBU Office staff devoted to results, achievements, and problems in counterintelligence operations in 1995, he said: "Priority trends in SBU operations in Kiev were characterized by the operational monitoring of governmental measures aimed at economic reform and the resolution of the crisis, the fight against corruption and organized crime, and the protection of the sovereignty and territorial integrity of the country."

Security bodies, within the framework of their competence, supported local power bodies of Kiev to resolve sharp social problems of the capital. In particular, permanent attention was focused on such issues as the prevention of emergencies and accidents in power engineering enterprises, at environmentally dangerous sites, and in transportation. During 1995, the SBU office in Kiev drafted and submitted to Kiev Oblast and Kiev City administrations over 100 informational-analytical documents covering pressing regional issues.

To prevent crime, special services always strive to operate on the "ahead-of-time" basis. Just as in past years, thanks to counterintelligence operational information, the signing of several export-import contracts — harmful to Ukraine — was stopped. In general, security bodies managed to save some $3 million in the foreign economic sphere for the state.

Thanks to the results of operational investigations aimed at the halting of economic crime, over 83 billion karbovantsi were returned to the state budget in the form of fines. In addition, fines — several times exceeding the budget of SBU Kiev Office — were imposed on violators of the legislation.

Apart from classical trends in SBU operations — intelligence, counterintelligence, and anti-terrorist measures — the fight against corruption in power and management structures and the organization of coordinated measures against the Mafia and racketeering groups were also in the focus of attention of the special services. Closely cooperating with the police and the prosecutor's office, the SBU Office in Kiev exerted relevant preventive influence [vidpovidnyy profilaktychnyy vplyv]; it managed to head off a contract murder and to detect organizers of another contract murder. Thanks to special operations, some 20 groups of racketeers were detained; several hostages, held by criminals to high ransom in foreign currency, were freed. Thanks to joint actions by law-enforcement bodies, four criminals with high stature among criminal groups are under investigation now and two criminal authorities are serving jail time.

The Kiev SBU Office carried out considerable work to exonerate victims of political repression. The names of virtually all the people who were unfairly punished during the years of totalitarianism were cleared.

Problems and missteps were primarily connected with the organization of operational investigations. The management structure of Kiev SBU Office was upgraded particularly due to the closing down of specific city and district SBU offices and the establishment of regional subunits — Prydniprovskyy, Industrialnyy, and Kyyivo-Svyatoshyskyy SBU interregional offices. In addition, in each of these offices, areas of the fight against corruption and organized crime were specified.

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Economic Issues

Ukraine: Economy Discussed at Davos Forum

WS0602092196 Lvov INFOBANK in English 0733 GMT 6 Feb 96

[From the "News Service" feature]

[FBIS Transcribed Text] Davos, Switzerland. Speaking at the International Economic Forum, being held in the Swiss resort town of Davos since February 1 and continuing until February 7, Ukraine's Prime Minister Yevhen Marchuk gave his personal guarantee that economic reforms in Ukraine will continue. This information was made available to INFOBANK by Mr. Marchuk's press secretary, Larysa Ivshyna.

According to Ms. Ivshyna, on 2 February 1996, for the first time in the history of the forum, a meeting was devoted solely to the discussion of Ukraine's economy. In addition to Mr. Marchuk, Ukrainian participants included Vice Prime Minister Roman Shpek, Minister of Foreign Affairs and Trade Serhiy Osyka, and head of the governmental loan and investment company Borys Sobolyev. Within the framework of the forum members of the Ukrainian delegation took part in a meeting of governmental officials from countries of Eastern and Central Europe, in a discussion on the topic "The world economy after the year 2000," and had several bilateral meetings.

Specifically, Mr. Marchuk had a discussion with one of the directors of the International Monetary Fund, Stanley Fisher, during which the latter expressed certainty that the fourth part of an IMF loan to Ukraine would be approved in April. During a meeting with Israeli Prime Minister Shimon Peres, Mr. Marchuk discussed the details of his future visit to Israel and the possibility of bilateral cooperation in the areas of trade, agriculture, the pharmaceutical industry, and the renewal of Palestine's domestic economy. Ukraine's Minister of Foreign Economic Relations and Trade Serhiy Osyka spoke with the director general of the World Trade Organization Renato Ruggiero regarding Ukraine's chances of joining this international organization.

The International Economic Forum is an international non-governmental organization which was founded in 1971. The 1,000 most powerful companies in the world - which have a total yearly turnover of capital exceeding $3 trillion - belong to this organization.

Ukraine: Marchuk Cites Commitment to Economic Reforms

LD0202211796 Moscow INTERFAX in English 1936 GMT 2 Feb 96

[FBIS Transcribed Text] Davos, Feb 2 (Interfax-Ukraine) — Ukrainian Prime Minister Yevgeniy Marchuk today urged Western businessmen to invest in Ukraine, saying that the national economy is positioned for "economic revival and growth."

An increase in Western investments in Ukraine is favored by a number of factors, including "the traditions of democracy and stability" in the country, Marchuk said at a special session of the World Economic Forum in Davos, dedicated to Ukraine.

All Ukrainians want to see Ukraine as "a normal market-orientated" economy, Marchuk said. The country has the "bitter experience of the year 1993" behind it, when skyrocketing inflation and the biggest decline in industrial output among former Soviet republics were registered, he said.

With regard to talks between Ukraine and the International Monetary Fund, Marchuk said the two parties failed to agree on the assessment of the economic situation in the country. However, the IMF will agree that economic reforms are continuing when it "learns about the full repayment of the country's foreign debts, the absence of hidden guarantees regarding gas import and the approval, after necessary coordination with parliament, of the budget with a deficit of 2.2 percent of GDP, in line with IMF methodology," he said.

The Ukrainian leadership decided to accelerate the sale of enterprises at privatization auctions in January 1996, authorize secondary trading on privatization certificates and give the directors of enterprises an impetus to speed up privatization, Marchuk said.

"The government is not going to retreat. I am personally a champion of the program of reforms and I will do my best to enable Ukraine to collect the program's fruits," Marchuk said.

Ukraine: Delegation to Davos Hopes To Attract Investments

LD0202212396 Moscow INTERFAX in English 1942 GMT Feb 96

[FBIS Transcribed Text] Davos (Switzerland), Feb 2 (Interfax - Ukraine) — The Ukrainian delegation has come to the World Economic Forum in Davos in order to attract investments, in particular in the coal industry, Ukrainian Prime Minister Yevhen Marchuk told Interfax - Ukraine Friday.

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Marchuk is the leader of the Ukrainian delegation at the forum.

Serious investments have so far failed to come to Ukraine because of "the country's peculiar image in the eyes of world business," Marchuk said.

The Ukrainian delegation's participation in the Davos forum, which involves about 100 leading economists and politicians of the world, "will help Ukraine make another move towards international cooperation," Marchuk said.

The Ukrainian prime minister met with South African Vice President Thamo Mbeki on Friday morning.

Marchuk and Mbeki in particular discussed Ukraine's participation in a session of the United Nations Conference on Trade and Development which will be held in South Africa in April-May. Ukrainian Minister for Foreign Economic Relations Sergey Osyka told Interfax - Ukraine.

The Ukrainian delegation may stay another few days for more detailed talks with the South African leadership. Creation of "some axis or triangle Ukraine-Israel-South Africa" may be considered during these talks, Osyka said.

Creation of such a "trade triangle" has become possible due to the long time well-tuned contacts between South Africa and Israel, Osyka said.

This subject will also be discussed at a meeting between the Ukrainian prime minister and his Israeli counterpart Shim'on Peres in Davos on Saturday morning.

Ukraine: Gazprom Demands Payment Guarantees for Gas

LD0502213096 Moscow INTERFAX in English 1800 GMT 5 Feb 96

[FBIS Transcribed Text] Kiev, February 5 (Interfax - Ukraine) — The Russian Gazprom company keeps insisting that Ukrainian government guarantees be provided for Russian gas supplies through Ukrainian wholesale import companies.

"We cannot trust the companies having no banking guarantees," our correspondent was told by Gazprom President Rem Vyarkhirev during the World Economic Forum in Davos, Switzerland.

According to R.Vyakhirev, Gazprom is also unsatisfied with the pace of gas payments. "Some debts remain outstanding so far," he said indicating, at the same time that "the payments were done on a regular basis in the course of the recent five days".

Russian gas has been supplied to Ukraine starting from this January through wholesale importers working on contracts with the Gazprom company of Russia. The major importer is the Yedinyye Energeticheskiye Sistemy (United Power Systems) company, ensuring the supply of 25.2 billion cubic meters of gas.

The Intergaz joint-stock company has been allowed to supply 7.8 billion cubic meters, the OLgas financial-industrial corporation — 0.85 billion cubic meters, and Ukrrosgaz, Ukrzarubezhneftegaz companies, Ukrgazprom joint- stock company, Motorsich enterprise and Pravex concern — a total of 4.22 billion cubic meters.

Natural gas is to be supplied to factories in Donetsk region on direct contracts. As envisaged by intergovernmental agreements, the Russian Gazprom company is to supply Ukraine in 1996 with a total of 50 billion cubic meters of gas at the rate of $80 per 1000 cubic meters.

Ukraine: Russian Concern To Provide Nuclear Fuel

WS0602093296 Lvov INFOBANK in English 0733 GMT 6 Feb 96

[From the "News Service" feature]

[FBIS Transcribed Text] Kiev — The public relations department of Ukraine's State Committee for the Utilization of Nuclear Energy reported that the Russian concern Tvel has won an international tender in which a partner was chosen for organizations in Ukraine which will manufacture nuclear fuel for Ukrainian nuclear power plants.

The tender committee has also recommended that Ukraine's State Nuclear Energy Committee sign a contract with Tvel only if it receives governmental guarantees from Russia that prices for uranium and uranium concentration will remain unchanged from those given in materials provided by Tvel during the tender. If such guarantees are not given in three months, the tender committee believes it would be advisable to sign a contract for the formation of a joint stock company for the manufacturing of nuclear fuel with the American company Westinghouse Electric S.A. which placed second in the tender.

The tender was announced on 1 June 1995 by Ukraine's State Nuclear Energy Committee. Applications were accepted until 9 October 1995. In addition to the two firms mentioned above, the corporation Combustion Engineering Inc. also took part in the tender.

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Belarus

Belarus: Primakov's Talks in Minsk Reviewed

WS0502133296 Minsk BELORUSSKAYA DELOVAYA GAZETA in Russian 1 Feb 96 p 1

[Article by Svyatlana Kalinkina: "Yevgeniy Primakov: 'Sovereignty Is Irreversible'"]

[FBIS Translated Text] **The visit to Belarus by Russian Prime Minister Yevgeniy Primakov perhaps confirms that not only our country, but also the Russian Federation has nothing against establishing a close political union similar to the French-German one.**

As everyone knows, it became a tradition of Franco-German relations a long time ago that every new high-ranking official pays his first official visit either to France or Germany to demonstrate respect for friendly relations between the two countries. Belarus and Russia have a chance to apply this experience; after all, our president paid his first visit to Moscow. The first foreign trip by Prime Minister Mikhail Chyhir was also to the Russian capital. The visit to Minsk by Yevgeniy Primakov was also supposed to be the first one in his tour across CIS countries.

Although the Russian Foreign Ministry chief had to change his plans due to unpredictable circumstances, Yevgeniy Primakov did not conceal that his arrival in Minsk is a particular tribute to close cooperation between Belarus and Russia.

"I attach great importance to this visit because our peoples are connected by common history and fate," Yevgeniy Primakov stated immediately after arriving in Minsk. *"We are satisfied with gradual progress in relations between our states. Objectively, even after the USSR's collapse, integration processes should develop anyway, though, naturally, they do not affect the sovereignty of this or that state because the sovereignty of each one of us is already irreversible. At the same time, we are becoming closer to one another in terms of politics, and this is also a natural process."*

Issues concerning bilateral relations became the main topic of talks between the foreign ministers. The most important aspect of the conversation held at the residence on Voyskovyy Street was coordination of both states' stances on a concept of European security and NATO's eastward expansion. The Belarusian side found Yevgeniy Primakov an understanding interlocutor because his stance on the North Atlantic bloc approaching the borders of Belarus and, respectively, Russia, is somewhat tougher than that which Andrey Kozyrev once advocated, and it corresponds more to the Belarusian leadership's position.

Neither Russia nor Belarus are going to conduct any protest actions against changes in the alignment of forces under the new political conditions. For example, we timely fulfilled a treaty on reduction of medium-range missiles, and the North Atlantic bloc is going to deploy its short-range missiles directly near our borders. This, naturally, requires corrections in the two state's domestic defense concepts. Russia has already set a course toward mounting its missiles on mobile equipment — planes, ships, and infantry vehicles. Since Belarus has not yet announced corrections in its defense concept, coordination of positions is thus a quite important aspect, particularly taking into account the fact that preparations for signing several defense agreement between Russia and Belarus are currently under way.

Issues concerning an upcoming visit to Moscow this March by Alyaksandr Lukashenka were the main topic of talks held at the residence of the Belarusian president. Issues concerning economic cooperation held an important place in the course of the conversation between our state leader and the Russian foreign minister. It must be said that there are still many problems in this area, despite numerous optimistic statements. Russia undoubtedly remains the main trade and economic partner of Belarus. Its trade with Russia accounts for 80-85 percent of trade with other CIS countries, whereas trade with Ukraine, which comes second, accounts for some 10 percent. In broader terms, there is a fifty- fifty "division." Half of our foreign trade is with Russia, and the rest — with the rest of the world. At the same time, the volume of Russian investments in the Belarusian economy is meager, and it is surprising even for experts. Russia's share in foreign investments is as little as 3 percent. Even Lithuania has outrun our "elder sister" which is so close to us spiritually and historically.

Issues concerning economic cooperation were also the main topic of negotiations held at the residence of Belarusian Prime Minister Mikhail Chyhir. Having diplomatically noted that Belarusian-Russian talks, as a rule, are fruitful and produce positive results, Mikhail Chyhir did not conceal that he had pinned certain hopes on the Russian Foreign Ministry chief's arrival in Minsk. *"Belarus is unable to overcome the crisis without an improvement in Russia's situation,"* Mikhail Chyhir stated. The Belarusian prime minister confirmed a sincere interest in the success of Russian reforms by the fact that *"our Republic has traditionally cooperated with Russian industry, and Belarusian companies are not destroyed — they are waiting for Russian orders."*

Issues concerning the Customs Union were to a certain degree addressed during all the meetings Yevgeniy Primakov held in Minsk. The most detailed discussion on

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this issue was held at the CIS Headquarters with CIS Executive Secretary Ivan Karatchenya. Yevgeniy Primakov will probably continue this topic after concluding his Minsk visit since Kiev is the next stop along his itinerary.

Belarus: Ukrainian Defense Minister's Visit Reviewed

WS0502154996 Minsk VO SLAVU RODINY in Russian 3 Feb 96 p 1

[Article by Lieutenant Colonel Aleksey Bezveselnyy: "To Be Friends and Cooperate"]

[FBIS Translated Text] **On the evening of 31 January, a military place took off from a runway at Machulishchi airfield, which after gaining altitude, took a course toward Kiev. It carried members of a Ukrainian military delegation led by Defense Minister Valeriy Shmarov, who had been on a two-day official visit to Belarus.**

Many representatives of the mass media learned about the results of the visit to Belarus by the Ukrainian defense minister, the first such visit in the history of the two sovereign states, during a news conference held at the Central Officers' House. After the ceremony at which a number of agreements were signed, the Belarusian defense minister, Lieutenant General Leanid Maltsaw, and his colleague Valeriy Shmarov informed journalists about their work, and presented their opinions on many current issues.

As was noted by Lieutenant General L. Maltsaw, who opened the news conference as the host, the visit by the Ukrainian delegation provided a stimulus to expanding military-technical cooperation between the two neighboring countries, which, in turn, usually follows political decisions made at the highest level and takes into account mutual interests.

Following this, Ukrainian Defense Minister Valeriy Shmarov emphasized that servicemen should currently conduct cooperation not only with bayonets, but also brains; all the more so if this relates to neighbors connected by years of good relations. In general, the high-ranking guest noted that his country firmly adheres to the principles proclaimed by its Supreme Council.

Ukraine is a neutral, nonaligned, and independent state. It has thus not joined, and in the next few years is not going to join either the CIS system of collective security or NATO, as the chief of the Ukrainian Defense Ministry stressed to journalists. He thus refuted rumors which have recently been disseminated by the media about his country's intention to join NATO. At the same time, V. Shmarov does not deny that the Ukrainian leadership understands and accepts the main ideas of the U.S. "Partnership for Peace" initiative. He even admits the possibility of participation in this program and peacekeeping operations in "hot spots" around the world, in accordance with decisions by the UN Security Council.

Meanwhile, Lieutenant General L. Maltsaw assured journalists that according to our parliament's decision, not a single Belarusian serviceman is currently deployed in "hot spots." They will not be deployed there in the future, of course, if the Supreme Soviet does not change its viewpoint on this issue.

According to V. Shmarov, however, every country decides on its own how it should protect its independence and how it should establish military cooperation. For example, Ukraine is currently proceeding in two directions — it is maintaining military contacts at the highest level, and organizing bilateral military cooperation. The most recent confirmation of this was the signing of a plan for cooperation between the Belarusian and Ukrainian Defense Ministries in 1996 and a number of important agreements in Minsk. (By the way, our neighbors have established such contacts with 30 CIS and world countries.)

Discussion of the current issues concerning common European security, including NATO's possible eastward expansion, held a particular place in the course of talks between the defense ministers. According to Lieutenant General L. Maltsaw, his position corresponds to that of his Ukrainian colleague, and V. Shmarov further emphasized that integration of new members into NATO is undesirable for common European security because this could revive the conditions of the "Cold War," which, in turn, the North Atlantic bloc's leadership understands very well. This integration thus should be "diluted in time."

Concluding, I will briefly discuss practical side of the bilateral agreements signed on 31 January. First, this relates to broad military-technical cooperation. According to V. Shmarov, its improvement and expansion was dictated by the difficult economic situation. Living under conditions of limited possibilities and resources, Ukraine and Belarus had to resort to mutually advantageous contacts. This refers to joint scientific research and design, use of technologies of reprocessing components of missile fuel, mutual exchange of scientific and engineering information, and deliveries and repairs of weapons and military equipment....

The second direction in cooperation relates to the area of military science and training military and pedagogical personnel. The issue of training officers was specially singled out, and, as was reported, the issue of

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transferring officers from the Belarusian Armed Forces to Ukraine and vice versa was resolved positively. As Lieutenant General L. Maltsaw said, answering your correspondent's question, artificial obstacles will not be mounted in this area.

Cooperation in the area of air defense and air forces is another direction, which is quite understandable given the presence of common borders. Thus, it was decided to organize an exchange of information, cooperation between forces on duty, joint use of border airfields, and overhauls of Air Force equipment.

There was another pleasant point. I can cheer up people in uniform and their families who are going to seek recreation at the wonderful military spas on the Black Sea coast. You will be able to go there for treatment, of course, if you have enough money. In general, our servicemen (a small subunit) can travel to Ukraine even this summer. True, they can go there not to bathe in the sun on southern beaches, but to participate in a joint training exercise in conducting peacekeeping operations in the Carpathian Military District at the invitation of the Ukrainian side.

So, there is hope that the visit to Belarus by the Ukrainian delegation will actually provide a stimulus to expanding military cooperation between our countries and will produce positive results in the immediate future.

Belarus: Defense Minister Opposes Participation in Peacekeeping

WS0602084296 Minsk BELAPAN in English 0733 GMT 6 Feb 96

[FBIS Transcribed Text] The Ministry of Defence is against the participation of the Belarusian Armed Forces' units in any kinds of peace-keeping operations, including those under the aegis of the United Nations Organisation, the Belarusian minister of defence, Lieutenant-General Leanid Maltsaw said in an interview with a BELAPAN correspondent. Moreover, according to Mr Maltsaw, "the Ministry does not intend even to consider this question without a special commission from the Supreme Soviet." As for Mr Maltsaw's personal position, he takes exception to Belarusian military servicemen's participation in UN peace-keeping operations as well.

Meanwhile, as an official at the Ministry of Foreign Affairs informed BELAPAN, the Belarusian foreign office holds that there is an objective necessity for Belarus' participation in UN peace-keeping operations. Foreign ministry officials are prone to think that the Republic must not remain aloof from the processes in which almost all European countries are involved. As for Belarus' debts on its contribution to the financing of UN peace-keeping operations, the BELAPAN correspondent was assured at the foreign office that the present proposals of the Ministry with respect to Belarus' would-be participation in UN peace-keeping operations are by no means bound up with this.

Moldova

Moldova: Popov Calls For 'Phased' EU Integration

AU0602074596 Chisinau INFOTAG in English 1930 GMT 5 Feb 96

[FBIS Transcribed Text] Chisinau, February 5 (INFOTAG) — "Matters related to Moldova's phased integration into the European Union will be one of key priorities in our activities during 1996," Mihai Popov, minister of foreign affairs, told INFOTAG.

He believes, Chisinau should be oriented on countries which have an experience of integrating into Western economic systems. "We are particularly interested in countries which have special state departments tackling matters of such economic integration," the minister said.

So far, Moldova has only established a commission which controls the implementation of bilateral economic agreements. Besides, activities in that field are being run separately by the Ministries of Foreign Affairs, Economy, and Finance.

In Popov's opinion, the republic should set up a special department which would "monopolize" this sphere of activities, and would be fully responsible for implementation of the phased integration concept. Such a department could raise the efficiency of steps being undertaken by the republic to get integrated into the international economic community.

Moldova: Chisinau May Reconsider Stance on NATO

AU0502160596 Chisinau BASAPRESS in English 1930 GMT 1 Feb 96

["Political Commentary: 'Moldova and NATO Extension'"]

[FBIS Transcribed Text] Chisinau, 01/02/1996 [BASApress] — NATO extension to the East is becoming more and more important for Moldova and requires a clearer stand from Moldovan authorities. While central European and Baltic states are trying to get into this political-military elite club, Chisinau invokes the special circumstances which do not allow it to announce its wish to join NATO. Chisinau officials always say that in accordance with Constitutional Art.2 on Moldova's

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neutrality, Moldova will not join NATO, but will cooperate within the "Partnership for Peace" and sees nothing wrong about NATO extension to the East. These statements are always accompanied with a refrain specification that Moldova favours "such a European architecture which will not harm the interests of the states that do not want to join NATO" and "NATO extension to the East should not contradict the principles of European security, but fortify it" (Mihail Popov).

Even more often officials say "the Partnership should not isolate Russia, but, on the contrary, presuppose her participation in the program" (Mihail Popov), and "Moldova, which in principle does not oppose NATO extension, thinks the interests of all parties, including Russia, should be considered" (Pavel Creanga).

Is all this preoccupation about Russia's convenience "the specialty of the house" concocted in Chisinau by advocates of integration with the former Soviet East? A positive answer, according to many observers, is a radical simplification of things. It is rather the uncertainty of Moldovan foreign policy promoters fueled by many factors.

"Moldova does not want to become a buffer between the two blocs, but its security should not be weakened," Foreign Minister Popov said, implying that international bipolarity is not exhausted yet. At closer examination, most official statements comply with the programmatic studies issued by NATO, in particular the "Study on NATO Extension" published last year in Brussels.

"It is important to maintain cooperation relations with countries which do not intend to join NATO in the near future to avoid separation or uncertainty in Europe and provide a broader and comprehensive attitude toward common security. The Union should stress that there can be no spheres of influence in modern Europe," said the study.

What is then the explanation for the position of Chisinau officials who oppose adherence to NATO, but are open for cooperation with the "Partnership" and supportive of NATO extension?

The explanations and interpretations have come less from officials themselves, but more from NATO opponents who often are open or undeclared advocates of Moldova's adherence to the Russia-controlled military-political organizations.

In Chisinau, the most sensitive about NATO extension seems to be the parliamentary Socialist Unity faction. The most moderate of them say "while Romania continues to head for NATO, Moldova's neutrality provided by the Constitution has a growing value." Neutrality would mean to insure security in the face of "confrontations between NATO extending to the East, and Russia worried by this extension and trying to establish a defence system within CIS."

Moldova does not have much to choose, say the same parties. On one hand, Moldova's adherence to the CIS common defence system "will be an egregious blunder, as it will complicate the relations with the Ukraine which refused to take part in the system and which is on unequal terms with Russia." On the other hand, Moldova's entry in NATO "will inevitably provoke Russia's dissatisfaction and distrust" (Vladimir Solonari). Furthermore, "Russia's dissatisfaction will have repercussions on Russian ethnics in Moldova," the Socialist Unity warns, implying that this will make it almost impossible to settle the Dniester dispute.

Dniester leaders are indeed absolutely against everything that recalls NATO or Chisinau's cooperation with the Alliance. The strong resistance against closer relations with NATO displayed by many Moldovan deputies and Tiraspol leaders, the pressures from the Kremlin, etc. seem to strongly influence the Chisinau officials' (possible) orientation toward closer relations with NATO. Another reason is that Chisinau officials have not made much progress in diversifying sources of raw materials and energy resources, that's to say to shake off the overwhelming economic dependency on energy resources from the former Soviet space.

Since the neutrality is not justified politically and economically and entails high risk, the military-political orientation toward the West is approached very cautiously. At the same time, the agenda of the two Moldovan representatives at NATO, diplomat Nicolae Tabacaru and Colonel Vladimir Bostan, suggests a very active participation in the "Partnership for Peace." And the participation in this program, say officials from NATO Headquarters, "will play an important role in NATO extension." Besides the special relations with Russia, the study refers to the great eastern neighbour, Ukraine. It says that NATO attaches "special importance to the relations with the Ukraine, which have to evolve through close cooperation" within the Partnership for Peace. Assuming that Ukraine is treated as one of the principal candidates for NATO membership, the Moldovan diplomacy could change its position in the near future.

Moldova: Parliament Speaker, Russian Envoy Discuss Dniester

LD0502223396 Moscow INTERFAX in English 1909 GMT 5 Feb 96

[FBIS Transcribed Text] CHISINAU, Feb 5 (Interfax) — Moldovan Parliament Chairman Petr Luchinskiy has spoken in favor of Russia and Ukraine taking

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a more active role in the political settlement of the Transdniester conflict.

Meeting on Monday with Ambassador Yuriy Karlov, Russian presidential envoy to the talks between Chisinau and Tiraspol, Luchinskiy said that the constructive position of the mediators - Russia, Ukraine and the permanent OSCE [Organization for Security and Cooperation in Europe] mission in Moldova - rendered irreversible the process of peace settlement in the region.

According to the parliamentary press office, Karlov reiterated the official Russian position that all preconditions exist for settling the conflict exclusively by way of peace talks, preserving the sovereignty and territorial integrity of Moldova.

Moldova: Iliescu Statement on Possible Unification Viewed

AU0202143796 Bucharest Radio Romania Network in Romanian 2000 GMT 1 Feb 96

[Dispatch from Chisinau by Bucharest Radio correspondent Valentin Tigau]

[FBIS Translated Text] President Mircea Snegur is making efforts, using all means, to intensify the ties between the Republic of Moldova and Romania, Presidential Counselor Victor Josu stated at his news conference today.

Answering a question referring to the basis of those relations, as well as to a recent assertion by Romanian President Ion Iliescu regarding the possibility of uniting the two countries, Victor Josu pointed out:

[Begin Josu recording] There is no time now to detail all the reasons why we need to further and diversify these bilateral relations. Perhaps it would be sufficient if we only mention the existence of several issues of joint interest of an economic and cultural-spiritual nature.

Regarding the assertion by Mr. Ion Iliescu, the president of Romania — according to which Moldova's union with Romania should take place following the example of the two Germanies — as far as we know, it was made in an internal context and, on the same occasion, Mr. Iliescu also mentioned the examples of Germany and Austria, two countries in which they also speak the German language, as well as that of Germany and certain parts of Switzerland, where no one has set the goal of uniting the territories of the countries in question.

The president of the Republic of Moldova shares this latter view, considering that this model complies fully with the norms of political behavior proper to the European countries at the end of the twentieth century. At the same time, President Snegur condemns certain anti-Romanian manifestations, as he considers them harmful for the furthering and deepening of the ties between two sister countries. [end recording]

During the news conference, Presidential Counselor Victor Josu also referred to President Mircea Snegur's stance regarding the putting on the agenda of the new parliamentary session, which opened today in Chisinau, debates on his initiatives to turn the name of the official language from Moldovan into Romanian language, as well as on turning land into merchandise [land privatization]. In Josu's opinion, the vote on these initiatives will be a serious test for the entire legislative body. I would like mention that the two aforementioned initiatives have triggered contradicting reactions here, in Chisinau, and some commentators even doubt that they will be backed by the majority of the legislators.

Moldova: Security Minister Denies Secret Protocol With SRI

AU0502160396 Chisinau BASAPRESS in English 1930 GMT 2 Feb 96

[FBIS Transcribed Text] Chisinau, 02/02/1996 [BASA-press] — "During the last three years the Moldovan Security Ministry has not concluded any secret protocol with the Romanian Information Service (SRI)," stated the weekly FLUX quoting security sources.

Recently, the Bucharest newspaper ROMANIA MARE (GREAT ROMANIA) relayed that the Moldovan Security Ministry and SRI have concluded a secret cooperation protocol.

"The Security Ministry sources did not specify whether such acts were concluded earlier, but they informed that the ministry signed cooperation agreements with Ukrainian and Russian special services," said FLUX.

A security officer told FLUX that "the main element of these agreements is the commitment not to take actions one against another."

Anatol Taranu, former chairman of the State Security Commission, told BASA-press that during his term, "the Security Ministry did not negotiate any agreement with other special services."

Anatol Plugaru, former security minister, said he did not conclude "any cooperation protocol with Virgil Magureanu, SRI director. And even if there is one, he doesn't see anything wrong in that."

A former security officer told FLUX that there is such a document, "but it does not have a regulatory character

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and does not target any foreign state or special service," concluded FLUX.

Moldova: Snegur Threatens To Fire Cabinet Over Pay Arrears

AU0502215296 Chisinau INFOTAG in English 1930 GMT 5 Feb 96

[FBIS Transcribed Text] Chisinau, February 5 (INFOTAG) — President Mircea Snegur does not rule out that several ministers and even the whole government may be dismissed in case they fail to settle wage and pension arrears by April 1. He made this serious warning at today's meeting with government officials in charge of tackling the arrears problems, the presidential press service has reported.

The president heard the reports of the ministers of labor, social protection and family Dumitru Nidelcu; of agriculture and food industry Vitalie Gorincioi; of economy Valeriu Bobutac; of finance Valeriu Chitan; the president of the National Bank Leonid Talmaci; Deputy Prime Minister Ion Gutu.

All of them pointed out an extremely low financial discipline, at which the legislation is constantly ignored but nobody is brought to responsibility. They urged to use efficient instruments that would force economic agents and local power bodies to be accurate and allow for no delays in contributing to the Budget and Social Fund. Such an awful situation cannot drag infinitely, the president stated. Pension arrears worth 100 million lei and wage arrears worth 200 million are a heavy burden on the population, especially villagers, who have no money to buy fuel to keep their homes warm and to send children to schools, he emphasized.

He denied claims that these difficulties are caused by political reasons. In his belief, all this is evidence of drawbacks in the work of ministries and government as a whole. If the shortcomings fail to be eliminated, "the situation will be destabilized by justified actions of protest by the population," he warned.

He stressed that the government is unable to implement advantageous agreements on energy supply because ministries fail to diversify sales markets, and strongly criticized the reluctance to intensify economic relations with Romania due to political ambitions.

Mr. Snegur warned that attempts to torpedo reforms — in particular, to decline his initiative on making land tradable — may negatively influence the assistance of international financial agencies which is essential for completing these reforms.

"It is high time we named concretely those who are responsible for that," and stated possible resignations of those who are to blame for non-clearance of arrears.

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Tajikistan

Tajikistan: President Briefs Yeltsin Aide on Security Situation

LD0502152396 Moscow INTERFAX in English 1355 GMT 5 Feb 96

[FBIS Transcribed Text] Dushanbe, Feb 5 (Interfax) — Tajikistan President Emomali Rakhmanov and Kremlin aide for national security matters Yuriy Baturin met on Monday to discuss the situation in Tajikistan and on its border with Afghanistan.

Rakhmanov answered Baturin's inquiry regarding the outcome of the latest session of parliament and implementation of parliament-approved measures aimed at normalization in some parts of the country, Rakhmanov's spokesman Zafar Saydov told Interfax.

Bilateral cooperation as well as the question of coordination in the light of the current situation in Tajikistan were also discussed.

Tajikistan: Russian Peacekeepers To Observe 'Strict Neutrality'

LD0502152096 Moscow INTERFAX in English 1355 GMT 5 Feb 96

[FBIS Transcribed Text] Dushanbe, Feb 5 (Interfax) — Russia's peacekeepers stationed in Tajikistan are observing strict neutrality in the conflict between the Tajik authorities on the one hand, and the Tajik Defense Ministry's rebellious first brigade located in Kurgan-Tyube (80 kilometers south of Dushanbe) together with the armed grouping led by the ex-mayor of Tursunzade (60 kilometers west of Dushanbe) on the other, a high-ranking representative of the Russian command told Interfax.

He said, however, that in the current situation the Russian command "cannot remain a passive onlooker and is taking every measure to help find a political solution of the conflict."

He also said that the commander of the peacekeeping contingent, Col. Gen. Zavardzin, had been in Kurgan-Tyube since last week and was involved in the talks between Tajik officials and the rebellious Colonel Khudoberdiyev.

"Considerable progress has been made in settling the conflict," said the source. "Judging by all accounts, the crisis will be settled shortly," he added.

He also said that the Russian president's national security aide Yuriy Baturin was still in Dushanbe, holding consultations with Tajik President Emomali Rakhmanov on ways of stabilizing the situation.

Tajikistan: President Told of Plan for Interethnic Forum

LD0502150296 Moscow ITAR-TASS World Service in Russian 1405 GMT 5 Feb 96

[By ITAR-TASS correspondent Anna Kurbanova]

[FBIS Translated Text] Ashgabat, 5 Feb (ITAR-TASS) — Participants in the inter-Tajik dialogue decided to set up a forum of peoples of Tajikistan and intend to sign a provision on such a forum during the talks which continued here after the weekend. Informing Turkmenistan's President Saparmurad Niyazov of this today, Ramiro Piriz-Ballon, the UN secretary-general's special envoy, noted that in spite of the difficult situation now developing in Tajikistan definite results have, nevertheless, been achieved at the talks in Ashgabat.

He recalled that the idea of a consultative forum of peoples of Tajikistan is already contained in the protocol on the main principles for establishing peace and accord which was signed on 17 August last year by Tajikistan's President Emomali Rakhmanov and by Said Abdullo Nuri, leader of the Tajik opposition. This body, said Ramiro Piriz-Ballon, will make it possible to speed up the process of reconciliation between the opposition and the Government of Tajikistan and to stabilize the situation in the country.

On behalf of the United Nations, Ramiro Piriz-Ballon thanked the president of Turkmenistan for creating favorable conditions for the talks here.

Tajikistan: President Rakhmanov Address to Parliament

LD0602114496 Dushanbe Radio Tajikistan Network in Tajik 0600 GMT 5 Feb 96

[Tajikistan President Imomali Rahmanov speech to parliament on 3 February, on the departure from office of First Deputy Prime Minister Mamadsaid Ubaydulloyev, Chief of presidential staff Izzatullo Hayoyev, and Khatlon Region Administration Chief Abdujalol Salimov—recorded]

[FBIS Translated Excerpt] Esteemed people's deputies and government members: Of course, the training of staff cannot be completed in one or two years, but I will tell you with full responsibility and from my heart that Comrade Ubaydulloyev's work for the people of Tajikistan has been more than the work of the president of the Republic. People are agitated today and are listening to some forces, and the chief adviser to the president [Izzatullo Hayoyev] of the Republic of Tajikistan has resigned from his post of his own volition for the sake of the tranquillity, security, and authority of the state of Tajikistan alone. [passage omitted]

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One must not lose heart. I am not losing heart. I understand the current situation in the Republic, and this resignation is being submitted for the sake of tranquillity and security alone. Comrade Ubaydulloyev will return to his homeland [Kulyab] with honor and pride. Set up a commission, let the law-enforcement bodies make checks on the activity of Comrade Ubaydulloyev. If he has any guilt, he must answer to the law. However, I, as the president of the Republic of Tajikistan, say that the forces and groups that wanted Comrade Ubaydulloyev's removed from office and an opening for cotton- and aluminum-smuggling will be mistaken. This will not happen, I will not allow it. [passage omitted]

I once more swear to the entire people of Tajikistan, in the presence of the people's deputies, from the depths of my heart, that I will carry out a merciless fight against the criminals within government and state bodies, from top to bottom, and will make efforts to purge them from all bodies.

Today, I had a telephone talk with Mahmud Khudoyberdiyev [rebellion leader, holding southern town of Kurgan-Tyube] before I came here. He said: Imomali Sharipovich, all the people are asking for bread today. All the people are asking for wages today. All the people are dissatisfied with Comrade Ubaydulloyev. Tell me, please, who is responsible for this work in the towns and districts? Who must do this work? Those heads of warehouses who are stealing the flour — 50-50, and in other ways — which is being sent, and who are making their kith and kin rich, will answer for their deeds. I will set up a commission, I promise you. They will make checks on the heads of warehouses, the heads of towns, districts, and regions, the houses they are building, and the law-enforcement officers. They will make checks and find out where they have obtained their money. They will face the law.

Rakhmanov is not afraid of the demands of today or yesterday [reference to rebellion leaders' demands for resignation of president, major governmental staff changes, and compromise with exiled armed opposition]. Rakhmanov will not retreat from the path he has chosen. This is needed today for tranquillity. I say again that it is only for the sake of the peaceful solution to the problem; I said and will say again that God is with us, and we will achieve our goals, and peace and security will be established fully in our state. The people of Tajikistan have a rich and ancient history, they have culture and wit and nous. They understand, they will know about it, and soon. [passage omitted]

Today I decided to appoint the first deputy chairman of the Supreme Assembly [Abdulmajid Dostiyev] to the post of acting chairman of Khatlon Region. All authority will be given to Comrade Dostiyev, all the law-enforcement bodies of the region and the republic will be put at Comrade Dostiyev's disposal to bring the situation back to normal in the region. Entire mechanisms and rights will be developed, comrades.

I know everything about what the law-enforcement bodies and members of the government are doing. We will uncover the rest soon. There is no way. For three days now, some people have been holding parties, thinking that Ubaydulloyev will go and they will take the cotton and aluminum into their own hands. They are mistaken. They are simply mistaken, but I repeat once more that the president's representatives in the localities are not working as they should. This is not the right time to have a separate meeting with you [individual deputies]. I will take decisions on some of my envoys [president's representatives in the localities] soon.

Enough is enough. Employees of the trade sector, the Tojikmatlubot trading [state consumer-goods firm] warehouses — you have enough products. Let us give to the people that which we receive. Where are the law-enforcement bodies? Why are you afraid? This means that most of the law-enforcement bodies cooperate with these sort of criminals in some places. Purge them. I have issued two resolutions to purge these kinds of people from the law- enforcement bodies. And today, I tell you again, purge them. I will not allow this. The people who work with Rakhmanov must earn their bread honestly, and have no more than the level being consumed by the people. [passage omitted]

When aluminum and cotton were put under control of the government, to what extent did income from aluminum and cotton increase in comparison with 1995? Let the government count it and tell. Although Comrade Abdumalik Abdullojonov [former prime minister and presidential candidate] sent 73,000 tonnes of cotton to America alone via his Sano [High Quality] firm in 1993, not a single law-enforcement body has investigated this case but have, on the contrary, supported him. It turns out that we call a thief a hero, and the man who works gets beaten [reference to Ubaydulloyev]. The people who derive benefit from these bribes exploit this. I acknowledge that. [passage omitted]

I ask members of parliament to increase the number of commission members today [reference to commissions supervising the surrender of arms in Khatlon Region]. You should go to the districts and implement the work in three days and nights. As for anyone who will not hand them in three days, I allow you, the law-enforcement bodies, not to ask any questions.

The resignation of advisers, assistants, senior advisers to the president, and advisers to prime ministers are

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the cause for these misfortunes. That is why reform is not advancing, that is why development is slow today. No! Tomorrow is Monday. Enough is enough. I repeat once more that I will give orders to the law-enforcement bodies to uncover everything: In what district? Where? Who did what? Who has built a house? How many cars has he bought? Wha oes he have, and where? Let him show us the sources of his income. He pays visits to foreign countries, so let him show us the source of his income. Let him show the source from which his businessman son has obtained his stretch Lincoln [car], and did much in other places on the basis of cotton and aluminum. Let him come forward and answer to the people. We must show their faces to the people.

As for the republic's prosecutor's office, some of its personnel cooperate with these sorts of people in some districts. Esteemed Prosecutor General Amirqul Azimov [heading the commission negotiating with Khudoyberdiyev]! Khudoyberdiyev says: Imomali Sharipovich, we do not have many demands. People are saying — and yes it is possible to understand them — if you go to the simple people, if you go to the villages, they say that if the law-enforcement bodies, the police, the prosecutor's office, and the security ministry worked properly, there would be bread and calm, and crime would be rooted out.

What more can I do? I say once more that they think that today, Comrade Ubaydulloyev and another have resigned, and that Rakhmanov will do it [allow bribery]. No! Rakhmanov does not know of this. I cannot do this. I cannot rob and do business. I cannot do this work. This is not in my soul and way of thinking. You cannot buy Rakhmanov with anything. There have been attempts, but you cannot do it. The representatives of the president are doing almost nothing in the localities. They have staff, salaries, cars, and have parties and celebrate birthdays. Who is paying for all of this? Why have the [law-enforcement] bodies not seen this? Why do you not see that today, one kilogram of flour costs 10 rubles? Where did they find the resources for this? They invite 1,000 or 500 people to their birthday parties at a time. [passage omitted]

I ask you deputies from Khatlon Region to understand me correctly. Calm the people down. Hand in the arms. If there is tranquillity and security, we can do all the other work. We need only tranquillity and security, then the head of the state can make efforts to take control of the bread, fuel, and other situations. However, if things continue this way, neither Rakhmanov nor any others can envisage its aftermath.

Thank you for your attention. Stop sleeping at home and going to parties. Work with the people. Go to the people, and be aware of the people's condition.

Tajikistan: Parliamentary Officials Visit Pacified Areas

LD0602113196 Dushanbe KHOVAR in Russian 0745 GMT 6 Feb 96

[FBIS Translated Text] [No dateline as received] — T. Dzhurabayev, deputy chairman of the [Tajikistan] Supreme Assembly and head of the parliamentary commission [on negotiations with the local rebellion leader Ibodullo Boymatov], is visiting Tursunzade. Under a joint protocol, the armed group of supporters of former town chairman Ibodullo Boymatov is expected to hand over its arms and military hardware in this Tajik town today.

Abdulmajid Dostiye acting head of Khatlon region and first deputy chairman of the Tajik Supreme Assembly, arrived in Kurgan-Tyube, where the situation is stabilizing.

TIA-KHOVAR reports that the Defense Ministry's 1st Motorized Rifle Brigade returned to its base yesterday, together with its armor, and removed a series of road blocks.

Brigade commander Colonel Mahmud Khudoyberdiyev said that the brigade is ready to go to Tavildara district to defend the republic's calm and security, if the order is given.

Tajikistan: Rebel Baymatov on Reasons for His Actions

LD0502202996 Moscow NTV in Russian 1600 GMT 5 Feb 96

[Video report by unidentified correspondent; from the "Segodnya" newscast]

[FBIS Translated Excerpt] [Correspondent] The government of Tajikistan and the rebels from Kurgan-Tyube and Tursunzoda have finally reached a comprise that defused the situation in the republic somewhat. [passage omitted]

Mahmud Khudoberdiyev, commander of the 1st Motorized Rifle Brigade, who seized power in Kurgan-Tyube on 26 January, and demanded the resignation of the head of the Defense Ministry, agreed to return his men to barracks. Their disarmament, mentioned in many reports, can only be symbolic, if only because Khudoberdiyev's brigade, for all that, is part of the regular army.

Former Tursunzoda Mayor Ibod Baymatov is in no hurry to surrender his weapons either. He is in charge

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of at least 300 fighters, several tanks and anti-aircraft weapons. In an interview to NTV, Baymatov made it clear that one of the main reasons for his action is the domination of the president's fellow countrymen from Kulyab region in the leadership of the country.

[Begin Baymatov recording] In the four power-wielding structures — the Ministry of Defense, the Interior Ministry, national security structure, and also the Tax Police — they are from Kulyab, from the south I mean. There was none of that anywhere, of course, nor should it be. Thank goodness we have a Russian nation here. Why did the war start here in the first place? Because practically everything came from one region. [end recording] [passage omitted]

Uzbekistan

Uzbekistan: Karimov Says Russia Will Remain Partner

LD0302211196 Moscow ITAR-TASS World Service in Russian 1556 GMT 3 Feb 96

[Report by ITAR-TASS correspondents Konstantin Pribitkov and Aleksandr Stepanenko]

[FBIS Translated Text] Davos (Switzerland), 3 Feb — President of Uzbekistan Islam Karimov said today at a news conference in the Swiss town of Davos that Russia "was, is, and will be a strategic partner" of his republic. It stems from this that relations following the breakdown of the USSR should only be on "equal basis," and "there should be no imperial ambitions". "This is the principle we take within the ranks of the CIS," he stressed.

In the exclusive interview to an ITAR-TASS correspondent, Islam Karimov, taking part in the work of the World Economic Forum, noted that at present 1.5 million Russians live in Uzbekistan and they have lived there for many centuries. "Russia was absorbed into our territory 150 years ago and I think that a great of good was done," he said adding: "Today when we speak of strategic partnership, what we mean is the similarity of our approaches in that fundamentalism is moving from the south." "We understand who can, in this case, take us under its wing and who can, to a certain degree, defend the position," the president noted. At the same, he could not fail to note that there are forces in Russia who "want to speculate" on the issue of the Russian population in Uzbekistan and raise, in the opinion of Tashkent, the subject, "of purely a speculative nature, of oppression, minorities, and dual citizenship."

"I always said that the future of the CIS depends on Russia and I have never kept this a secret," Karimov stressed.

Uzbekistan: UNDP Human Rights Delegation Begins Visit

LD0602110896 Tashkent Uzbekistan Television in 1430 GMT 5 Feb 96

[FBIS Translated Text] A UN Development Program [UNDP] mission under the leadership of Ion Popescu began a visit to our country today. According to the itinerary of the visit, members of the delegations will be familiarized with the reforms under way in Uzbekistan in the sphere of protecting human rights and improving the system of state administration. They will meet with the heads of ministries and departments, representatives of political parties, and public organizations. The guests will visit Fergana and Samarkand regions as well.

Uzbekistan: Islamic TV Channel Goes on Air, Russian TV Stops

MK0302145696 Moscow KOMMERSANT-DAILY in Russian 3 Feb 96 p 4

[Report by Andrey Saidov: "For a Holy Case Money Will Be Available"]

[FBIS Translated Text] Calls by heads of the Russian Foreign Ministry and the Internal Affairs Ministry on Uzbekistan President Islam Karimov to help settle the situation in Tajikistan have not so far produced a result. It seems that the Uzbek president is engaged in other problems: Yesterday an Islamic television channel was launched in Uzbekistan.

The idea to create a Muslim television channel belongs to Zafar Khakimov, newly appointed head of the Television and Radio Company. The government generously provided $2.8 million for the project (most of the money will be spent on Japanese equipment). Broadcasting will not be regular until the equipment is fine-tuned; in the future, the channel will broadcast on a daily basis and will even speak Russian. The broadcasting will be on one of the two channels currently operating in the republic. The subject of all programs on the new channel will in some way or other be connected with Islam, its history and traditions. Muhammadan prayers will be broadcast at least twice a day. The channel will also cover the subject of the "evolution of the great civilization in Turkestan." Information support will be provided by specialists from the International Center for Islamic Studies, created under Karimov's edict.

Meanwhile the Uzbekistan authorities apparently had no funds to continue the beaming of Russian television programs. In January 1992 the broadcasting of Russian television programs in Tashkent suddenly stopped. The authorities attributed that to "Moscow's debt for relaying the programs." The real reason, however, lies elsewhere:

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Two months before Ostankino and RTV disappeared from television screens, the Uzbek-U.S. KAMALAK-TV joint venture, which specializes in marketing foreign television programs, opened in Tashkent. At first, the joint venture targeted only the diplomatic corps and foreign tourists (it was also financed by the government: One of KAMALAK-TV's founders is the republic's Communications Ministry). A few months later, when it transpired that the market for foreign television programs was extremely narrow, the beaming of Russian channels was stopped and the joint venture immediately signed broadcasting contracts with Ostankino, RTV, and TV-6. Thus, the Islamic channel is funded by the government, while Russian programs are funded by "private entities."

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Azerbaijan

Azerbaijan: Aliyev Hails Iran's 'Strides Toward Bright Future'

LD0602113596 Tehran IRNA in English 1049 GMT 6 Feb 96

[FBIS Transcribed Text] Baku, Feb. 6, IRNA — The ceremonies honoring the 17th anniversary of the victory of the Islamic revolution of Iran were held at Golestan Palace here Monday night, attended by Azerbaijan's president, Geydar Aliyev. Also, a large group of Azeri senior officials, including the prime minister and many cabinet ministers and deputies of the National Assembly, attended the ceremonies. Aliyev called the victory of the Islamic revolution of Iran a great development in the region and regarded the late leader Imam Khomeyni as a figure who made history.

The Azeri president went on to say that, following the demise of Imam Khomeyni, a competent personality such as Ayatollah 'Ali Khamene'i has been entrusted with the task of leading the revolution. "Through his leadership and the presidency of Akbar Hashemi-Rafsanjani, Iran is making great strides toward a bright future," he noted. Aliyev viewed Iran as one of the most prominent countries in the region from historical and cultural standpoints, underlining the numerous commonalities between Iran and the Republic of Azerbaijan, he also hoped for further consolidation of bilateral ties through expansion of mutual cooperation.

The Iranian ambassador to Baku, 'Ali Reza Bigdeli, elaborating on the achievements of the Islamic revolution, regarded the independence of the republics of the former Soviet Union as resulting from the victory of the Islamic revolution of Iran.

Enumerating the commonalities between Iran and the Republic of Azerbaijan, the Iranian ambassador said that the two countries enjoy the closest and most cordial links due to their historical, cultural and religious background.

Similar ceremonies were held Monday night at the consulate general of the Islamic Republic of Iran in the republic of Nakhichevan, attended by the senior officials of the republic.

Azerbaijan: CEC Summarizes Results of Repeat Elections

NC0502190796 Baku TURAN in English 1148 GMT 5 Feb 96

[FBIS Transcribed Text] Baku/05.02.96/TURAN—According to preliminary data, 74.4 perceent of electors took part in the repeat elections to the Milli Mejlis [National Assembly] on February 4. So, the elections took place in all 15 districts.

According to the information, presently the CEC [Central Electoral Commission] continues to collect information and continues the processing of protocols from districts. The results of the elections are expected to be announced within the week.

Repeat voting in the candidatures will be in those districts where none of candidates gathered more than 50 percent of votes.

According to Isa Mamedaliyev, secretary of the CEC, the members of the commission discuss the complains received due to procedure of voting. He said the representatives of the opposition complain about the voting procedure. The talk is about the facts when one elector votes for several persons and when the representatives of police and executive bodies.

Isa Mamedov said that investigation was conducted on all noted facts, the prosecution and the Interior Ministry have been informed about that. "If the signals are confirmed, the people who violated the course of voting will answer," he said.

Musavat [Equality] party, Party PFA [People's Front of Azerbaijan] and Party of National Independence of Azerbaijan note numerous facts when police prevented course of voting. Besides, the police prevented presence of journalists and trusted candidates.

Georgia

Georgia: Shevardnadze on Economy, Abkhaz Sanctions

LD0502140396 Tbilisi Radio Tbilisi Network in Georgian 0607 GMT 5 Feb 96

[Regular Monday interview with President Eduard Shevardnadze by correspondent Nato Oniani—live]

[FBIS Translated Excerpt] [Oniani] Mr. President, the examination of the budget continued last week. Four months have passed since the introduction of the national currency, the lari, which is still stable. The energy crisis continued last week, and the problem of unpaid bills has again come to the fore.

[Shevardnadze] Thank you. Good morning. [passage omitted] The main problem of the country's economic life remains the 1996 budget. Parliamentary committees have virtually completed examination of the budget. In the next few days, the draft will be amended to reflect the results of the examination and, in accordance with the Constitution, the president will present the budget to a plenary session of parliament. It must be

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said that, owing to well-known reasons such as the elections, the late enactment of the Constitution, which happened only on 25 November, and some other factors, the deadline for presentation and examination of the budget has been cut. Nevertheless, Georgia has never seen such a lengthy examination of a draft budget. This included government meetings lasting over a week and examination in parliamentary committees for three weeks. It means that the state budget is no longer a list of expenditures, but the main economic document of the country. [passage omitted]

The attention of the public has recently been focused on the issue of an increase in bread prices. The ministries of economics, finance, social security, labor and employment, and agriculture and food have decided to compensate fully for the price increase, I repeat, compensate fully for the price increase. Unfortunately, this main aspect has always escaped the notice of our media...

[Oniani, interrupting] And for the first time, compensation payments have preceded price rises.

[Shevardnadze] Yes, we were able to do it 15 days before the price rises. As reported, the increase in bread prices will take place from 15 February. It is a forced measure caused by a shortage of resources and the doubling of grain prices on the world market. This had never happened in recent years.

Last year, Georgia received almost 0.5 million tonnes of grain as aid from the United States and the European Union. However, their aid policy is now starting to focus on further use of our own potential. A substantial part of the revenue from the sale of bread will be used to develop local production. At the same time, the bread products corporation should solve the problem of building working capital to allow it to purchase grain independently. Bread is a quickly perishable product, while demand for bread is virtually stable. This makes the bread trade a safe business. Businessmen will have ample opportunities, especially now that we are going to submit a proposal to Parliament making grain the only product exempt from tax. This should be a great incentive for grain imports and its production in the country.

Although our energy grid generated 583 million kilowatt-hours of electricity in January, which is 8.5 percent more than last year, the situation in the grid remains complex. We should put an end to nonpayments for electricity. Otherwise, the country will not be able to emerge from the energy crisis.

In order to ensure the purchase of minimum amounts of fuel for power generation, the president issued a decree on 31 January 1996 instructing towns and districts to repay at least 10 percent and, in some cases involving large consumers, 25 percent of their debt by 5 February. This should be regarded as a law by everyone. All local government leaders are personally responsible for the organized and timely completion of this campaign. During our next interview, we will probably use harsh language in relation to those who have failed in their task. [passage omitted]

[Oniani] Yesterday [4 February], you visited a gas well in Samgori District. [passage omitted]

[Shevardnadze] It is not by accident that very large oil companies have an interest in Georgia. I visited Supsa [the site of an oil deposit near the Black Sea coast] some time ago. The first well in Supsa has been producing 20-25 tonnes of oil a day, and work there should continue. Other fields are also being developed in eastern Georgia.

However, the gas deposits around Tbilisi are especially important. Foreign and local experts claim these are substantial deposits. I am not going to give figures. The figures I am being told are so astronomical that I would feel embarrassed to give them. I am not doing it also because of the need for a certain degree of caution. There have been examples when forecasts which were checked a thousand times were later proved wrong. However, it can be said that the deposits are substantial. No one disputes it any more. If we speed up the pace of drilling, which we must do, we will achieve the desired result early.

It is very important that we already have an operational network of gas pipelines, and therefore, no major investments will be necessary. If we produce gas, it will go into the network almost immediately. Let us hope there will be a lot of gas.

[Oniani] Last week Georgiy Tikhonov, the chairman of the Russian State Duma Committee for CIS Affairs, was the first to challenge the decision of the CIS summit on 19 January [imposing sanctions against Abkhazia] by holding a joint news conference with Vladislav Ardzinba [Abkhaz leader]. Although it was Ardzinba's news conference, Tikhonov also made some statements. Ardzinba then met Deputy Prime Minister Bolshakov and Foreign Minister Primakov. Another interesting fact is that according to our security service, Sukhumi port remains open. What steps are the country's supreme authorities going to take in this connection? So far, there have only been statements from the chairman of parliament [Zurab Zhvania] and his letter to the chairman of the Russian Duma [Gennadiy Seleznev].

[Shevardnadze] I am not going to comment on Tikhonov's remarks. You have already mentioned

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Zurab Zhvania's categorical statement in this connection. I would say that I completely agree with his statement.

The decisions of the CIS summit on 19 January received a wide reaction internationally and, of course, across the CIS. There is now a far better setting for talks and for the settlement of the conflict in general. The increasingly active process you have mentioned — Mr. Primakov's summons to Ardzinba and Ardzinba's meetings with Bolshakov and other officials — is not accidental, of course. It has been developing against this new background. As I said, an active negotiating process involving many parties is going on in Moscow.

I understand the anxiety of the population which remains in Abkhazia about the economic sanctions. If the border or any port are still open, they will be closed. I have issued a decree and we have reached agreement in principle that the border is to be closed. Naturally, the people who live there are anxious about the sanctions and restrictions. I have already said that they are our citizens and we do not intend to leave them to their own devices. They will receive what is essential for subsistence, but that will happen with the consent of the Georgian Government...

[Oniani, interrupting] In accordance with the decision.

[Shevardnadze] Yes. That is how this decision is to be interpreted and implemented. I offer the Abkhaz leaders and the population which remains there to speed up talks, to carry through the conciliation process speedily, and to bring Abkhazia and the whole of Georgia back to the normal pace of life very quickly. I would like to repeat that within a single state, the Republic of Abkhazia will have its own constitution, parliament, anthem, flag, emblem, supreme court, executive bodies, and many other attributes of statehood.

As soon as the conflict is settled, the population will return in an organized manner, the railway will be restored — this can be done very quickly, just in two or three months — roads will be restored — this can happen even more quickly — and large amounts of foreign capital will start flowing in. I have guarantees to that effect. Russian and Western investors are very interested in the region. As a result of this, in two or three years, Abkhazia's wounds will heal and it will become a prosperous place. I want these words to be heard by citizens who remain there. What I have said is no exaggeration at all. That is how it will be.

[Oniani] Georgia has seen many visits recently, but the latest visit by German Foreign Minister Klaus Kinkel was especially impressive. He made many promises. Have there been any results yet? We know that, apart from meeting you, he also met business circles.

[Shevardnadze] You know that there were busy meetings, including meetings with business circles, which discussed specific issues. He brought with him a large group of investors, including representatives of companies such as Siemens and some other well-known firms. They were convinced that to have relations with Georgia would be advantageous both for them and for the country. Apart from that, it was once again stated publicly that Germany had taken on obligations to help Georgia actively overcome the economic crisis.

Have there been any practical results? I received information yesterday from Kote Gabashvili, our ambassador in Bonn, and Kote Zaldastanishvili, the Georgian trade and foreign economic relations minister, saying that at a meeting on 30 January, the German interministerial commission chaired by the federal Ministry of Economics and also including the federal ministries of economic cooperation, foreign affairs, and finance, had taken a very important decision for our country to cover private German credits to Georgia with Hermes insurance. This is a great event. Up until now, Hermes, which is the main state insurance company, regarded Georgia as an unstable country and refused to provide insurance for investments here. Without that, it was impossible to talk about attracting substantial investment. One could only count on humanitarian aid and things like that. The fact that this new facility has now been made available gives us great hopes and guarantees that German business will make a decisive entry into Georgia.

In addition to this, it is also important that Germany is actively studying Georgia's energy problems, including the prospects for German involvement in work at the 10th generating set of Tbilisi District Power Station, which can be commissioned as early as next autumn. These are the current plans.

If this is complemented with our own gas, then, surely, we will not, as they say, go to the dogs. [passage omitted]

Georgia: Russian-Abkhaz Consultations To Continue This Week

LD0502212896 Moscow INTERFAX in English 1759 GMT 5 Feb 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Feb 5 (Interfax) — Russia and Abkhazia will continue their consultations on the resolution of the Georgian-Abkhazian conflict this week, a high-ranking Abkhazian official said.

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Abkhazian president Vladislav Ardzinba's meetings with Russia Foreign Minister Yevgeniy Primakov and Deputy Prime Minister Aleksey Bolshakov last week have "bridged the gap between positions," Ardzinba's envoy Andrey Dzhergeniya told Interfax on Monday.

He noted "changes in the approaches" of the Russian side towards settlement of the conflict in Abkhazia.

"We are looking for mutually acceptable solutions," he said, declining to elaborate.

Dzhergeniya stressed that the draft protocol on the Georgian-Abkhazian settlement proposed by Russia is close to Abkhazia's position with the exception of clause two. In the protocol, the parties "state their readiness to restore state and legal ties severed by the conflict, and to live in a single state within the boundaries of the former Georgian Soviet Socialist Republic that existed as of December 21, 1991. For this purpose, joint bodies of power will be established. Relations between the parties will be regulated by the constitutional law, which will be considered as a supplement to the constitution."

The envoy pointed out that Abkhazia wants equal rights for itself rather than just the presence of the words "confederation" or "federation" in the name of a new state.

He believes that the decision to isolate Abkhazia adopted by the CIS leaders at their summit meeting in Moscow in January is a form of pressure on the Abkhaz government. However, he stressed that "these measures have not affected the Abkhazian side's position."

Dzhergeniya said that Ardzinba met with Duma speaker Gennadiy Seleznyov on February 3 to discuss "all aspects of the settlement of the Georgian-Abkhazian conflict."

Georgia: Russian Help Needed To Implement Abkhaz Border Edict

MM0602094896 Moscow IZVESTIYA in Russian 3 Feb 96 p 2

[Report by Yuriy Snegirev: "While Closing Border With Russia, Georgia Is Relying On Its Help"]

[FBIS Translated Text] By all accounts, a new phase has begun in the settlement of the Georgian-Abkhaz conflict. On Wednesday (31 January) the Georgian president issued an edict on the introduction of special border and customs arrangements at the sea port of Sukhumi and port points on Abkhaz territory. In addition a sector of the Russian border with Abkhazia, which legally is the Russian-Georgian border, is being closed. Under the edict only humanitarian freight can enter Abkhazia and then only with official Tbilisi's consent.

This step was dictated by the 19 January decision of the Council of CIS Heads of State in Moscow, where Georgia's territorial integrity was recognized. The CIS heads of state undertook not to enter into any legal or financial relations with the unrecognized republic and not to trade without the Georgian Government's authority.

As regards humanitarian aid, the Georgian Foreign Ministry has been instructed to devise a mechanism whereby foreign countries can submit applications, according to which one-shot permission and freight permits be issued. Petre Mamradze, Georgian first deputy minister of state and chief of the State Chancellery, told IZVESTIYA that the edict is in no way aimed at infringing the rights of Abkhazia's civilian population. It, he noted, is merely an attempt to blockade Vladislav Ardzinba's separatist regime. Lately the importation of weapons, narcotics, and strategic raw materials into Abkhazia from contiguous countries has become more frequent. Mercenaries are getting into the republic as well as smugglers.

However, in the opinion of Tbilisi's official representative, Russian border guards' help is needed to make the edict work — only they can cross the border on Abkhaz territory. As is known, Abkhazia does not recognize any of Shevardnadze's edicts, and for that reason neither the port of Sukhumi nor other sectors of the border with Russia will be closed by Abkhazia. The Georgian side is waiting for the Russian reaction to the decision of the Council of CIS Heads of State and hopes that the border with the Russian side will nonetheless be closed.

IZVESTIYA's correspondent was informed by the Russian Federation Border Guard Troops Press Center that so far no orders have been received to change the entry regulations on the border with Abkhazia. Abkhaz ships under Russian and Ukrainian flags are still being held at the port of Sukhumi, but it has nothing to with a blockade. The ships' documents were found to be incorrectly drawn up, and according to world shipping practice these ships cannot be allowed into the open sea. The other ships, including those under foreign flags, can sail freely into the waters of the port of Sukhumi.

Georgia: Abkhaz Foreign Ministry Protests 'Subversive Acts'

LD0502184996 Moscow INTERFAX in English 1649 GMT 5 Feb 96

[FBIS Transcribed Text] MOSCOW, Feb 5 (Interfax) — Georgia's internal republic of Abkhazia has protested

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to the Georgian government over "continuing subversive acts," according to a statement of the Abkhazian Foreign Ministry circulated in Sukhumi Monday.

The statement was made public after an attack on Abkhazian military men by four assailants in the village of Gudava in Abkhazia's Ochamchira region on February 4. Three of the men were killed and one escaped following a fire fight, the document says.

This was the third sortie "of Georgian gunmen sent from Georgia's territory" over the last month, the statement says.

Earlier a group allegedly commanded by Georgian Abesalom Arkaniya killed the Sanayas family in the village of Shishelety in the Gali region on January 5. The same group detained four hostages on January 9, reports the Abkhazian Foreign Ministry.

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Lithuania

Lithuania: Brazauskas Discusses LDDP, Prime Minister

LD0502200496 Vilnius RESPUBLIKA in Lithuanian 3 Feb 96 p 8

["Exclusive" interview with Lithuanian President Algirdas Brazauskas by Ricardas Jarmalavicius; place, date not given — "Person of the Week - Lithuanian President Algirdas Brazauskas"]

[FBIS Translated Text]

"He managed to become 100 percent European in one month and proposed to the Seimas that Prime Minister Slezevicius be dismissed because of his tarnished reputation"

[Jarmalavicius] At the beginning of January, you said you were not able to consider the prime minister's resignation as necessary as a "100 percent European person" might. However, after signing a decree on the prime minister's dismissal you said "the reputation of a state official cannot be darkened even by a slightest shadow." What turned you into a European? Did you obtain any new facts about the prime minister's activities?

[Brazauskas] If there had been a confession by the prime minister to the people or, after all, an apology of some form, I believe the public would have easily and naturally accepted such apology. Considering the banking crisis and the difficult situation, there was a possibility for the prime minister to continue his work. That is what I think now and that is why there was such a statement at that time and a different one a month later.

[Jarmalavicius] Do you feel lonely now with this position of yours?

[Brazauskas] No, I am among people all the time. People think and express their opinions, and I express my opinion and try to explain and justify it. For example, yesterday I was in Kaunas and I met a large audience there: professors and intelligentsia. They all understand me and accept [my views] easily.

[Jarmalavicius] What do you think about the prime minister's hints about "possible consequences" in the event of his dismissal? These hints are accompanied by various promises to the depositors. Is it not a pressure on you?

[Brazauskas] No, it is not. Whatever was said regarding the deposits' repayment is not an opinion of one individual. It was a way to solve the problem, formulated and approved by the entire Cabinet of Ministers.

[Jarmalavicius] The Lithuanian Democratic Labor Party [LDDP] was the party of Brazauskas, which you led to victory at the Seimas elections. Now, the leaders of LDDP have switched over from occasional hints to obvious pressure on you. One may recall, for instance, a statement by LDDP Presidium member Albinas Lozuraitis, that before 8 February, the LDDP will try to make public all financial interests which predetermined your decision regarding Adolfas Slezevicius.

[Brazauskas] Well, I can only say this: I am not afraid of anything and no one will blackmail me. If anyone believes that such hints can influence me, this person is wrong. These hints will not work. I follow the principles that I have to follow as a president of the country. I will continue to act in the same manner in the future. You know, such threats on the level of a petty gossip are not of the right form and they are not the right method.

If there are people of certain kind in the leadership of LDDP, it does not mean that the whole LDDP is reduced to this level. The fact that the chairman of the party is also the prime minister is a completely new phenomenon in Lithuania, and it appears to be not that easy to handle for the party and its chairman. I have even started doubting whether such arrangement is a right thing to do.

[Jarmalavicius] You have only temporarily suspended your membership in the LDDP. Some people say the LDDP has nearly reached the point of split. If this split materializes, what side will you be on?

[Brazauskas] Neither of them, just like I am now. I do not think the party can split. There are some people who are already now very much pleased with such a possibility, but I do not think it can happen. It would be the final blow to the party.

[Jarmalavicius] How do you imagine the future of the LDDP at the forthcoming elections to the Seimas?

[Brazauskas] In my opinion, it is not possible to write the LDDP off, like the press tries to do via opinion polls. It is still a considerable political force for Lithuania's future; it has its organizational structure, unlike other parties, and there is still some time to repair the reputation before the elections. And I hope the party does this.

[Jarmalavicius] The presidential election is not too far, either. Are you going to take part in it?

[Brazauskas] I will not answer this question.

[Jarmalavicius] But if you decide to take part — what electorate will you be supported by, given that the currently prevailing trends finally take over in the

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LDDP? There are open statements that the present LDDP will not support you at the presidential elections.

[Brazauskas] The LDDP has 10,000 members. I was elected by 1.25 million people.

[Jarmalavicius] No doubt, you have heard a possibility for a "presidential" party to be set up?

[Brazauskas] How can such a party emerge? I, as a president, am in no position to form such a party.

[Jarmalavicius] If on 8 February the Seimas rejects the decree on the prime minister's dismissal, what will be your further steps?

[Brazauskas] I will not take any steps that would be behind the limits of my authority. This is very clear.

The Constitution stipulates a very good procedure for appointing and dismissing a prime minister and a cabinet. If the Seimas decides that the prime minister can stay, he will continue to work. I see no tragedy in this.

[Jarmalavicius] What if the Seimas approves your decree?

[Brazauskas] Well, we will follow the Constitution then.

[Jarmalavicius] You have decided on some candidates for the prime minister's post, have you not?

[Brazauskas] I certainly have.

[Jarmalavicius] Is it true that these candidates are Vytautas Einoris [minister of agriculture], Laurynas Mindaugas Stankevicius [minister of administration reforms and municipal affairs], Reinoldijus Sarkinas [minister of finance], and Povilas Gylys [minister of foreign affairs].

[Brazauskas] I will not answer this question.

[Jarmalavicius] That is clear. But why did you choose Adolfas Slezevicius as the prime minister in 1993?

[Brazauskas] I knew Slezevicius before, it was my choice, and there was no advice given to me to this effect. I knew his educational background, his capabilities, and I knew him as a person. He is certainly a highly capable person with the ability to make decisions quickly and has sufficient theoretical and practical background. I think that he has demonstrated it during these years. However, every person has his negative features and they surface from time to time.

[Jarmalavicius] Once again about the pressure on you. The following issue is still pending: one of the heads of Luoke [financial group], Vytautas Kudarauskas, is reported to have given a bribe of $400,000 to you or to your assistants and a bribe of $100,000 to the press, as shown by the transcript of a telephone conversation, published in the press. Do you think an answer to this question is long overdue?

[Brazauskas] Definitely so. I asked the interior minister several times to form a special group for the investigation, to investigate them and to present the results to the public. Romasis Vaitiekunas [former interior minister] failed to do this. It is a libelling of the president. In this manner anyone can invent anything and start writing about it and inflating it. There are no facts at all. I addressed both the head of investigations department of the Interior Ministry, Justinas Vasiliauskas, and Romasis Vaitiekunas a number of times, and I asked: Please, investigate it, make an official statement. But this has not been done. That is why the issue is still being inflated.

It is a libel. I believe the law enforcement institutions must either say that the president is not guilty or prove that he is guilty.

[Jarmalavicius] Like no other politicians, you have had a chance to experience how it feels when the press intrudes into your personal life. What is your opinion of the concept, which has been turned into a law by the Seimas, that such intrusion is banned?

[Brazauskas] We are members of the Council of Europe; we have ratified a declaration of the Council of Europe on the journalists' code of practice, so we have to follow these rules about the private life of an individual.

[Jarmalavicius] But you accept, do you not, that a magnifying glass should be applied regarding politicians?

[Brazauskas] You see, some people have an urge to act as magnifying glass. As far as a magnifying glass applied to the whole of the society is concerned, I do not agree with such an arrangement, because there are principles of human rights and human dignity. Why then did we ratify all those declarations? Are we from Europe, after all? Or maybe we are from outer space, as they say?

I am a person and a citizen and I have my private life. Why should anyone be intruding my life? If I committed a crime and there is a proof of this, then that is another matter.

A private life of a person should be held sacred. It is my own business: who I live with, who I have sex with. It does not do any harm to society.

[Jarmalavicius] So, society can rest assured that there is no crisis in Lithuania?

[Brazauskas] As long as I am the president, I will do my best to avoid any crisis. I will not inflate any conflicts, neither within the LDDP nor in the relations with other

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parties. And I will try to calm down all the people who take and view whatever is happening in Lithuania in a very emotional manner.

[Jarmalavicius] Will there be early elections to the Seimas?

[Brazauskas] I think it would be good if I, as the president, announce the date for the new elections to the Seimas. Maybe it would calm people down? I think I should do this in about one or two weeks' time.

Lithuania: President Refuses To Name New Prime Minister

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[FBIS Translated Text] It has been several weeks now since Lithuanian President Algirdas Brazauskas gave his last Monday interview to Lithuanian radio. There are various reasons for him not speaking to us; however, the president still talks to journalists quite often. He talked to the media today as well. Guoda Salciute has this report.

[Salciute] Lithuanian President Algirdas Brazauskas still hopes that he will receive a letter of resignation from Prime Minister Adolfas Slezevicius by 8 February. This is what the president told the media after his meeting with members of the Lithuanian Democratic Labor Party [LDDP] faction in Seimas. President Algirdas Brazauskas:

[Begin recording] [Brazauskas] It is up to the [LDDP] faction to make its decision. I merely presented my arguments which I have stuck with for quite a long time now. These are not some arguments that I came up with only today.

I believe that a resignation of the prime minister would be the way to finish... [pauses] to find a way out of the complicated situation. It would make the process of forming the new government quicker. It is especially important now as we need the government to be able to work and to deal with the issues that have been delegated to it by the Seimas and to otherwise carry out its duties to the fullest extent.

I can only say that the majority of the faction members who spoke at this meeting and expressed their opinions are in agreement with my proposal. There is still a couple of days left and I hope that this proposal of mine will be implemented.

I believe that the prime minister realized that this way is a good way to choose. It would be a normal and civilized step, something which is nowadays common in other countries. It would be the best thing to do: It would be both ethically correct, decent, and necessary. Who needs this conflict in our society? I think it is of no benefit to anyone. All we have to do is work, work, work. Look how many problems there are to be solved, look how many things there are to do, starting from banking problems, and many other matters. This discussion does not do any good, it is just a waste of time.

[Unidentified correspondent] Did you chose a new prime minister yet?

[Brazauskas] Yes, I did. But at the moment I will tell neither you nor the faction who it will be.

[Correspondent] Will he be one of the current cabinet ministers?

[Brazauskas] Certainly, only from the current cabinet, so the government is able to work for those several months with no disturbance.

[Correspondent] Will he necessarily be a member of the LDDP?

[Brazauskas] I cannot tell you.

[Correspondent] What about the new minister of the interior?

[Brazauskas] The interior minister will come in due course, believe me. No way we can manage without this minister, you know.

[Correspondent] But have you chosen a candidate yet?

[Brazauskas] It will become known in due course.

[Correspondent] What about early elections?

[Brazauskas] As far as I am concerned, there will be no early elections. No early elections at all. The elections will take place when they are scheduled in accordance with the Constitution and I will issue instructions to this effect. True, there is a procedure stipulated in our legislation for alternative arrangements. If the Seimas makes such a decision, then certainly, there could be early elections, but there must be a decision made in accordance with the law. [end recording]

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